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Blumenthal Says U.S. Favors Tax Relief Overseas

From Wire Dispatches
KUWAIT, Oct. 26.—The Carter administration strongly favors income tax exemption at levels that will encourage Americans to continue working for U.S. firms abroad, Treasury Secretary Paul Blumenthal said today.
Addressing 21 U.S. businessmen and educators employed in the area, Mr. Blumenthal said the administration has "taken the strong position that there is no percentage in taxing Americans of the area." He was referring to amendments of Section 911 of the U.S. tax law that would reduce the tax-excluded income of Americans privately employed abroad from a maximum of \$25,000 to \$15,000 and increase the taxation rate of nonexempt income.
During the meeting here, Mr. Blumenthal was handed a letter signed by 355 Americans living in Kuwait who expressed concern that the new tax regulations "will adversely affect Americans working overseas."
Worldwide Protests
The regulations were to take effect last year, but were postponed after worldwide protests by Americans overseas and their companies.
"You're preaching to the converted," Mr. Blumenthal told the group. He said there was virtual agreement in Mr. Carter's Cabinet that a system of tax exemptions should "provide necessary incentives" so that U.S. businessmen would continue to be represented throughout the world.
Mr. Blumenthal said a new amendment to the tax law introduced by Sen. Abraham Ribicoff, D-Conn., would correct some of the inequities but is primarily tailored for Americans employed in Europe.
The amendment would allow overseas taxpayers to itemize deductions for housing, education and cost of living to the extent that the expense of these items exceeds U.S. costs.
Expanding Scope
Treasury Department tax experts were conferring with Mr. Blumenthal to expand the scope of this amendment, taking into account Americans employed in such high-price areas as the Gulf.
"I am confident that we will work it out to your satisfaction," Mr. Blumenthal said.
Mr. Blumenthal earlier told Kuwaiti leaders that the United States would not use military force to secure its Middle East oil supplies, Kuwaiti sources said.
The sources said Mr. Blumenthal also assured the rulers of the wealthy Gulf oil state that "the present fluctuations of the dollar on world markets are a temporary phenomenon that will not affect Kuwaiti investments in the United States."
In addition, Mr. Blumenthal asserted that it was in the best economic interests of the Organization of Petroleum Exporting Countries to freeze oil prices at present levels.
In response, Kuwaiti leaders agreed to support the dollar and abandon their efforts to replace the dollar with the International Monetary Fund's special drawing right as the unit for pricing oil.
Before leaving for Tehran, Mr. Blumenthal met with the Kuwaiti leader, Sheikh Sabah al-Salem al-Sabah and other officials.
Mr. Blumenthal stopped in Kuwait on the third leg of a two-week tour of the Middle East and Africa. The visit followed stops in Egypt and Israel. The secretary will go on to Iran, Saudi Arabia, Italy and West Germany.

Burns Rebuts Criticism by White House

Fed Will Resist Pressure From Outside

WASHINGTON, Oct. 26 (AP).—Federal Reserve chairman Paul V. Volcker today rebuffed criticism of the board's tight-money policy and asserted that the Fed will not bow to outside pressures.
Burns also urged the administration to launch a policy to strengthen the dollar and restore business confidence.
After administration officials said last week that the Federal Reserve is not letting the money supply grow rapidly enough to keep the economy from overheating, Mr. Burns said interest rates were being raised to keep the money supply in check, and that the Fed was "extremely sensitive to expectations, might also begin raising rates."
Mr. Burns, in remarks prepared for an address at a college in New York, said the Federal Reserve's policy of letting short-term interest rates rise has kept money supply from getting out of control and "we have prevented the dangers of inflation."
As a consequence, long-term rates, which normally are extremely sensitive to expectations, have remained substantially stable, he said.
In an apparent reference to the House, Mr. Burns said, "at the Federal Reserve, we welcome advice on how best to promote the long-run as well as the immediate interests of this country."
Mr. Burns said the profits of U.S. business are not as high as they are because of inflation.
"Years for evidence that the world place of evidence that inflation will be tamed" and are the trouble evaluating the decisions of the Carter administration's program.
Mr. Burns declined to spell out the economic program but said there are parallels today to the early 1960s.
"Bold policy approach—predicted on the need for stimulus"—said on Page 9, Col. 4.

S. Soviet End Arms Ban Talks

WASHINGTON, Oct. 26 (AP).—The end round of closed Soviet-American talks on banning radiological weapons and other possible new weapons of mass destruction ended here, the U.S. mission announced today.
The announcement said that the discussions, which opened on Oct. 21, were conducted in a "friendly atmosphere and will be resumed later."
The talks were led by Ambassador A. S. Fisher and the Soviet side by V. I. Likhatchev. They are the two co-chairmen of a disarmament conference recently in recess.



Denis Healey holding up his dispatch case before presenting his new budget.

Tax Cuts, Economy Boosts

U.K. Sets £3-Billion Reflation Plan

LONDON, Oct. 26 (AP).—The Labor government today announced a plan to pump £3 billion (\$5.4 billion) into its economy in the next two years through sweeping tax cuts, a Christmas bonus for senior citizens this year and subsidies for the building industry.
The program unveiled in the House of Commons by Chancellor of the Exchequer Denis Healey follows the reflation example set by the United States and West Germany.
Mr. Healey told the House that his measures will cost the government a little more than £1 billion this year and £2 billion next year.
His main weapon was chosen, he said, because it is the swiftest method of getting money into the economy. It will raise the threshold at which income tax starts by £100 for a single person and £150 for a married couple.
He said that this would free 900,000 persons immediately from paying income tax and others higher up the income-tax ladder would also benefit. It will cost the Treasury £240 million, he said.
Mr. Healey also announced a £10 Christmas bonus for senior citizens drawing state pensions of £26.50 a week.
He said that the government will provide immediate subsidies for the slack building industry. Although he did not spell out the amount of the subsidies, he said that they will provide jobs for 30,000 workers out of the 196,000 unemployed in the industry.
The government will subsidize builders in the financial year beginning on April 1 next year with £400 million.
He told the House that his measures were a "reward for the sacrifice made by the British people over the last three years," referring to general compliance with pay restrictions in the last three years.
His income-tax changes raise the tax threshold for a single man from £245 to £345 and for a married couple from £125 to £245.
The government program is aimed at getting citizens spending and industry investing again.
Economic, Not Financial
Government officials emphasize that Britain's problems are economic, not financial.
Britain was the "sick man" of Europe last year, but its exports are now in the black and have been for the last two months; its money is strengthening steadily, especially in relation to the dollar; foreign currency is pouring in to take the nation's reserves to a record £29.5 billion; the cost of borrowing has not been so low for many years; and inflation, though still high at 15.8 per cent, seems to be coming down.
As for the basic economy, industrial output remains at the level of 1975 with business confidence low. Investment for plant improvement and increased production has shown little increase in the last two years. The cost of industrial capacity is 10 per cent less than in 1973. Many corporation heads say that their

Sources on Both Sides Say

U.S., Soviet Military Exchange Speakers in Détente Program

By Thomas Kent

MOSCOW, Oct. 26 (AP).—The U.S. and Soviet Armies have begun an exchange of speakers in a continuation of "confidence building" measures, according to U.S. and Soviet sources.
The first lectures, which were not publicized, took place on Sept. 26 in Moscow and Sept. 28 in Leningrad. Brig. Gen. John Bard, commander of cadets at West Point, lectured two groups of Soviet officers on U.S. Pacific amphibious operations in World War II.
The Russians will send a lecturer to U.S. military institutes next month, U.S. sources said.
A Soviet Defense Ministry spokesman today acknowledged that the exchange program was going on, adding that the U.S. talks "were very interesting, but from the historical point of view there was almost nothing new. In our opinion, the lecture of the Russian speaker [to be given in the United States] has been better prepared."
"An exchange of this type is very useful for Soviet-U.S. relations and for détente in general," the Soviet spokesman said. "The speeches were given in good Russian."
Gen. Bard, a former student of Russian, read his speech in Russian from a prepared text. U.S. sources said the 50-minute talk was politely received by the Soviet officers and several questions were asked. They said that the speech revealed to current military information.
Sources said that the lecture exchange began with a proposal more than a year ago by Gen. George Brown, chairman of the Joint Chiefs of Staff. The U.S. and Soviet armed forces have been moving cautiously toward a policy of exchanges, particularly since the signing of the 1975 Helsinki agreement.
The United States also invited Maj. Gen. Alexander Knyrkev, the Soviet defense attaché in Bonn, to attend U.S. maneuvers in southern Germany last month. Gen. Knyrkev declined that invitation, but did visit West German maneuvers.
U.S. sources said that the lecture exchange is a pilot program that could become a fixture of U.S.-Soviet military relations.

Income to Teams Greater Than Gate Receipts

NFL to Add Games in \$576-Million TV Accord

By William N. Wallace

NEW YORK, Oct. 26 (NYT).—The National Football League has reached agreements with the three major television networks which may be regarded as milestones in the sports and entertainment industries when it comes to money and scope.
Pete Rozelle, commissioner of the NFL, would neither confirm nor deny the money package—\$576 million over four years—but as an actor and historian within the heady world of television economics he said he regarded this as the biggest deal in television history.
There is nothing comparable. NBC had agreed to pay \$80 million for the Olympic Games in Moscow in 1980 and production costs will raise the figure to \$125 million. The same network allegedly paid \$10 million for the rights to "Gone With the Wind," the largest price ever for a movie moving to TV. But



Pete Rozelle

such rich, long-term commitments have been made.
Sources said the money share among the three networks will be roughly the same, although their arrangements are different. Each will have a few more games to televise as the NFL expands its regular and postseason schedules beginning next year.
Each of the 28 teams will play 16 regular-season games rather than 14 and there will be two more playoff games for a total of nine, including the Super Bowl.
The annual income for the NFL's teams beginning next year will total \$138 million, up from \$58.8 million this year, the last year of expiring four-year contracts. That is a 133-per cent increase.
Each team's annual share of the TV revenue will rise \$2.1 million, to \$4.9 million. For the first time in the sport's history, the average team's income from

television will exceed that of its gate receipts.
Rozelle was quick to point out in an interview that costs for the teams have risen sharply in terms of player salaries and benefits. The league's Management Council completed an agreement with the Players Association earlier this year that called for payments from the clubs over the next five years totaling \$120 million. The largest part of this sum will go into the player pension fund.
Rozelle was able to ask for and receive these large increases for several reasons. Television ratings have gone up steadily, particularly last year. The success of ABC's Monday night games in prime time was such that the other networks, including a mysterious "fourth" network to be built around professional games, were interested in Sunday, Tuesday or Thursday night dates.

Embargo Sought at UN

Carter Said to Back S. Africa Arms Ban

WASHINGTON, Oct. 26 (AP).—President Carter has instructed the U.S. ambassador to the United Nations, Andrew Young, to give U.S. support to Security Council efforts to impose an embargo on all arms sales to South Africa, it was learned today.
[United Press International reported that the United States circulated a proposal in the Security Council today calling for a time-delayed arms embargo against South Africa if Pretoria continues its crackdown on dissent.]
"We have a proposal and we are discussing it with the members of the council," said a spokesman for Mr. Young. He declined to disclose the contents of the proposal immediately, UPI said.
An official announcement was expected from Mr. Carter tomorrow. In the meantime, Mr. Young was consulting with British and French diplomats in New York on the strategy to be used against South Africa's latest round of repression of blacks and their supporters.
It was learned that Mr. Young is exploring the prospect of limited economic sanctions against South Africa, which actually could have a more serious impact on the Pretoria government than an arms embargo.
The United States and Britain already observe their own arms embargoes, although some police equipment and other gear, such as spare parts for C-130 transport planes, are sent to South Africa from the United States.
Mr. Carter said yesterday that he had made "the right decision" on whether to support UN sanctions against South Africa, but he declined to disclose it. The White House and State Department were instructed to guard against any "leaks."

decide which "are appropriate in these conditions."
While Mr. Young held his talks in New York, Richard Moose, the assistant secretary of state for African affairs, was sent to Capitol Hill to brief the House African affairs subcommittee. He said that U.S. support for a mandatory arms cut-off, withdrawal of guarantees for commercial loans and termination of all scientific assistance to South Africa "are actions that have been under consideration in the Executive Branch in recent days."
A confrontation with South Africa has been building since last week's crackdown on black and white dissent.
At the United Nations, black African and other delegations are promoting military sanctions against the Pretoria government.
France has been a major arms supplier for South Africa, which also obtains weapons from Israel and on the open market.
The U.S. economic stake in

(Continued on Page 2, Col. 5)

By White House

Vorster A-Ban Letter To Carter Is Revealed

By Edward Walsh

WASHINGTON, Oct. 26 (WP).—Prime Minister John Vorster of South Africa assured President Carter in an Oct. 13 letter that South Africa did not intend to develop any nuclear explosive devices, White House Press Secretary Jody Powell said yesterday.
Mr. Powell made public a portion of Mr. Vorster's letter to Mr. Carter after questions were raised by a statement that the Prime Minister made during a television interview broadcast Sunday on "Issues and Answers," a U.S. television show.
Mr. Vorster was asked about a reported promise to the President that South Africa would not develop nuclear explosive devices, including weapons.
"I Am Not Aware"
He replied: "I am not aware of any promise that I gave to President Carter. I repeated a statement which I have made very often, that as far as South Africa is concerned, we are only interested in peaceful development of nuclear facilities."
According to Mr. Powell, Mr. Vorster's letter to the President had said:
"You will recall that, pursuant to representations made by the United States government, we formally advised it in August that South Africa did not have, nor did it intend to develop, a nuclear explosive device for any purpose, peaceful or otherwise, that the so-called Kalahari (desert)

facility was not a testing ground for nuclear explosives and that there would not be any nuclear explosive testing of any kind in South Africa."
Mr. Powell said the August message from the South African government was the basis for a statement that the President made at a news conference Aug. 22. Mr. Carter said then that South African officials had told him that "they do not have and do not intend to develop nuclear explosive devices for any purpose, either peaceful or as a weapon."
Apparent Contradiction
The Vorster interview, taped in Pretoria Oct. 17, appeared to contradict the President's news-conference statement, prompting the White House to make that public portion of the Oct. 13 letter.
Mr. Powell said that despite Mr. Vorster's television comment, "we are certainly not questioning the assurances given us by the South African government" in August.
The United States, the Soviet Union and other nuclear nations were alarmed in early August by reports that the white-minority government of South Africa planned to test a nuclear device. They worked in concert to prevent it, and Mr. Carter clearly took great satisfaction when he announced on Aug. 23 the assurances he had received from South Africa.

To Be Waged if Peace Bid Fails

Israel Said to Plan for Decisive War

By Jim Hoagland

WASHINGTON, Oct. 26 (WP).—Israel is preparing to fight what senior Israeli defense officials privately describe as "a war of annihilation" against the Egyptian and Syrian Armies if the Carter administration's new Middle East peace effort fails.
Israeli strategy in any new war will be to destroy the two main Arab armies as quickly and completely as the Arabs will not present a military threat to Israel for the next 10 years, Defense Minister Ezer Weizman and other Israeli officials have told visiting Americans.
This strategy was basically set before Menachem Begin's Likud coalition in May ended the Israel Labor party's 28-year rule. But U.S. analysts feel that Mr. Begin's government has put its own stamp on Israeli war strategy since coming to power.
The refinements flow in large part from the differences in attitudes of the Labor government which placed a higher premium on good U.S. relations to insure arms supplies, and of the Begin administration, which masks neither its growing fears of President Carter's Middle East policy nor its readiness to fight a war without U.S. help or advice if necessary.
Planning Refinements
Refinements in planning since May reportedly emphasize the use of Israel's military superiority to crush Arab armies before the United States can intervene to bring about a cease-fire, as the Nixon administration did in the 1973 Arab-Israeli war.
A rapid victory would free Israel from having to depend on the United States for the kind of massive resupply airlift that triggered the Arab oil countries' embargo of 1973.
In the last two years, the flow of arms supplies under the Ford and Carter administrations has virtually eliminated any immediate need for the kind of airlift that angered the Arabs in 1973. With U.S. approval, Israel has

stockpiled enough weapons, ammunition and fuel to fight a three-front conventional war for 30 days before needing fresh supplies from the United States, experts here estimate.
Despite political differences with Prime Minister Begin over the Palestinian role in the new peace effort, the Carter administration has not tampered with the pipeline of heavy weapons that has become the most vital link in the American-Israeli relationship.
Last week, the Pentagon released for shipment to Israel \$60 million worth of Cobra helicopter gunships equipped with anti-tank missiles. Since April, the Pentagon has cleared nearly \$150

million in shipments that included M-40 tanks, 155-mm howitzers and armored personnel carriers.
Fears of U.S. Moves
But Carter administration officials concede that the continuing arms flow and the "binding" commitments they have given that it will continue have not quieted Israeli apprehension.
Since Arab armies caught them by surprise and took advantage of their defensive posture in 1973, the Israelis have been determined to have the capacity and the political freedom to strike first and decisively if war threatens.
Labor party leaders Yitzhak (Continued on Page 2, Col. 2)

Disguised as Murder, It Says

Official West German Report Calls Terrorists' Death Suicide

BONN, Oct. 26 (UPI).—An official West German report said today that three members of the Red Army Faction, who died in prison last week, killed themselves and tried to make the suicides look like murder.
The report said that the suicide pact was probably agreed on after the failure of a terrorist plot to exchange the gang members for 86 hostages on a hijacked Lufthansa jet airliner.
The 38-page report, drawn up by the Justice Ministry of the state of Baden-Wuerttemberg, said an investigation of the deaths in Stuttgart's top-security Stammheim Prison showed "unequivocally" that the deaths of Andreas Baader, Gudrun Ensslin and Jan Carl Raspe were suicide and not murder as some of their supporters assert.
"There is no evidence that their deaths were caused by any outside agent," the report said.
The report was made public today by Helmut Engler, an of-

ficial of the state Justice Ministry, and Helmut Kasser, the state prosecutor.
But Erhard Eppler, floor leader of the Social Democratic members of the state parliament, said the report raised more questions than it answered. Baden-Wuerttemberg is governed by the Christian Democrats.
The three terrorists were to be buried in the same grave in a Stuttgart cemetery late today despite some protests. Mayor Manfred Rommel gave permission for the burial.
"Death wipes out the past," he said. "Let the dead be buried."
The state report said that the exact time of the suicides still has not been determined but that it probably was after West German commandos stormed the hijacked jet airliner at Mogadishu in Somalia last Tuesday.
The report said that Raspe probably heard a newscast on a transistor radio concealed in his (Continued on Page 2, Col. 7)

Resolution by 63 Countries

UN Urged to Censure Israel Over West Bank Settlements

UNITED NATIONS, N.Y., Oct. 26 (AP).—Sixty-three Third World nations submitted a resolution yesterday asking the General Assembly to declare that Israeli settlements in occupied Arab territories "have no legal validity."

The resolution, on the eve of the first Middle East debate in the current United Nations meeting, also asks the assembly to "strongly deplore the persistence" of Israel in permitting the settlements and to tell Israel to "desist forthwith from taking any action which would result in changing the legal status, geographical nature or demographic composition of the Arab lands occupied since 1967, including Jerusalem."

The resolution asks the assembly to declare the settlements a blockade to peace in the Middle East.

The six-point resolution is expected to win near-unanimous support and set the stage for a Security Council debate on the Palestinian refugee issue scheduled later this week.

A U.S. spokesman refused to

Sadat Declares 10-Year Delay in Soviet Payments

CAIRO, Oct. 26 (UPI).—President Anwar Sadat said today that he was retaliating for a Soviet arms embargo by suspending payment of Egypt's military debts to Moscow for 10 years. Repayment of the debts, estimated at \$4 billion, will be stopped in January, Mr. Sadat said.

Addressing a meeting of Premier Mamdouh Salem's new Cabinet, he said that the unilateral moratorium will be coupled with a ban on the export of high-quality Egyptian cotton to the Soviet Union and Czechoslovakia. Mr. Sadat's action had been expected.

Mr. Salem's new 30-member Cabinet was announced yesterday. It includes seven new ministers. Ten members of the outgoing administration were dropped.

Officials said that the changes were aimed at realizing an "administrative revolution" by having fewer ministries and combating red tape and bureaucracy.

Thieves Were Selective

NAPLES, Oct. 26 (UPI).—Thieves who stole a truck containing 18,000 bottles of wine abandoned it early today taking only one case with them.

say how the United States would vote. "We are taking a hard look at it," he said. The Carter administration has called Israeli settlements on the occupied West Bank of the Jordan River illegal and an obstacle to peace in the Middle East.

In September, Israel told the United States there are no more than 80 settlements in occupied Arab territories, including 31 in the occupied West Bank. They include three settlements the Israeli government gave official status to in July and three settlements established in August.

Six Camps Change

TEL AVIV, Oct. 26 (AP).—Six Israeli settlements in the occupied West Bank took another step toward permanence today when the government moved them outside military camps.

The Israeli radio said a Cabinet committee decided to give the civilian outposts—all built on army-controlled land—a new status simply by rearranging the barbed-wire fence around them to leave them outside the military camps.

The minister in charge of settlements, Ariel Sharon, said the camps would remain "in the framework of military camps." But the change in fences will probably give the settlers a measure of independence from the military.

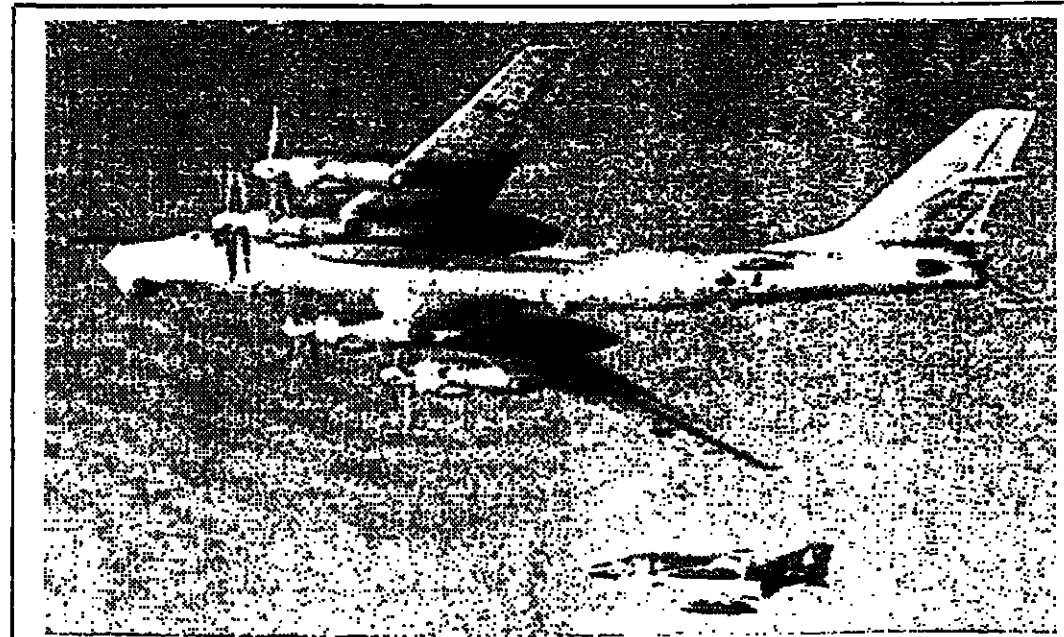
Israel Is Reported Preparing For Decisive War in Mideast

(Continued from Page 1)

Rabin and Shimon Peres said publicly that, by destroying the Arabs militarily for 7 to 10 years, Israel would be able to get through a period when Arab oil and money could be used to squeeze concessions from Israel.

For Mr. Begin's military strategists, the political lifespan of the Carter administration is rapidly becoming an equally important planning factor. While he has spoken little in public on the subject, Defense Minister Weizman has made no secret of his view that Israel's continuing buildup is designed in part to make its armed forces invulnerable to pressure from Washington.

"The Israelis have gone on the offensive and have designed an 18-month, \$2-billion pipeline of new equipment that will keep them in that posture into the 1980s," according to a U.S. official. "If we were to try to exert the kind of pressure we used in 1973 to keep the Israelis from



PHANTOM BUGS BEAR—A British Navy Phantom fighter-bomber keeps tabs on a Russian Bear reconnaissance aircraft flying over a supply convoy during NATO's Ocean Safari 77 exercise. The seven-nation war games, involving 7,000 servicemen, 60 surface ships and submarines and 250 aircraft, was planned to test the abilities of the Atlantic alliance to keep its vital lifelines open across the ocean.

Calling Publicity a Security Breach

Strauss Says Bonn Data Aids Terrorists

By Paul Hofmann

BONN, Oct. 26 (NYT).—Former Defense Minister Franz Josef Strauss today branded recent disclosures concerning the raid by

West German commandos at the airport of Mogadishu, Somalia, as "absolutely irresponsible" because they supplied precious information to would-be hijackers.

The accounts by officials and news media of how 86 hostages in a commandeered Lufthansa Boeing 737 airliner were rescued last week gave "impressive object lessons through words and pictures" to terrorists, Mr. Strauss contended.

"Must everything be told?" he asked in his party's weekly newspaper, Bayernkurier. "Must everything be aimed at electoral propaganda and television ratings?"

The criticism by Mr. Strauss, chief of the Christian Social Union and a leading spokesman for the conservative opposition, touched off a national debate on secrecy in the fight against terrorism.

A government spokesman, Armin Grunewald, said later today that Mr. Strauss's charges were unfounded insofar as they were meant to apply to information released by members of Chancellor Helmut Schmidt's administration.

Report Postponed

At the same time, Mr. Grunewald announced that the government has postponed publication of a 200-page report on the hijacking of the Lufthansa plane and on other acts of terrorism, because the report, originally scheduled for release this weekend, had

to be subjected to a final check by censors.

The document was intended to end a blackout on news regarding the activities of the government and its law-enforcement agencies since urban guerrillas kidnapped Hanns-Martin Schleyer, president of the West German Employers and Industry Federation, in Cologne on Sept. 5. The industrialist's body was found in Mulhouse, France, last week; the funeral was held in Stuttgart yesterday.

Mr. Grunewald said some facts must be omitted from the forthcoming report for reasons of foreign policy, some at the request of the police and some because of legal considerations.

Passport Issue Solved

THE HAGUE, Oct. 26 (AP).—The Justice Ministry denied today that a Dutchman was the leader of the terrorist gang that hijacked a Lufthansa airliner Oct. 13 and held it for more than four days.

Diplomatic sources in Mogadishu had reported that the terrorists were led by a man carrying a Dutch passport issued to Johannes Gerardus, 24. However, the Justice Ministry here said the passport belonged to Dutch Army Cpl. Johannes Gerardus Wetenkamp, who was one of the 86 hostages freed when West German commandos stormed the plane.

Attacks Continue

ROME, Oct. 26 (UPI).—Bombs blasted four West German-owned business premises in Italy early today, continuing a week of attacks on such property. There also have been threats to assassinate Bonn's ambassador in Rome.

Here in Rome, three almost simultaneous blasts shook Siemens, BMW and Opel buildings, causing slight damage. At Pisa, near Florence, another BMW showroom was the scene of a pre-dawn explosion.

Radio in Berlin Cell

BERLIN, Oct. 26 (AP).—West Berlin officials said today that they had found a matchbox-size transistor radio hidden in the cell of Wolfgang Weisau, 22, a suspected terrorist. He is one of 19 West Berlin prisoners supposed to have been cut off from all outside contacts during the 44-day kidnapping of Mr. Schleyer.

Schmidt Popularity Up
BONN, Oct. 26 (Reuters).—The Schmidt government's counter-attacks on recent terrorism have apparently boosted its popularity. In a public-opinion survey report published today by Stern magazine, Mr. Schmidt's liberal coalition outpolled its conservative opposition by 51 to 46 per cent, whereas a similar poll last month gave the opposition 51 per cent. The survey group, the Allensbach Institute, said counter-terror actions helped the government's rating.

South Africa Arms Ban

(Continued from Page 1)
South Africa is considerable. Last year, the United States was its largest trading partner, selling South Africa \$1.35 billion worth of goods.

4 Clergymen Arrested
JOHANNESBURG, Oct. 26 (Reuters).—Police arrested four black clergymen today as they demonstrated outside police headquarters here, the second group of clerics to do so this week. A police official said that the four had been charged with holding an unlawful procession. Seven black clerics were arrested on Monday in a similar protest.

Biko Inquest Said Granted
JOHANNESBURG, Oct. 26 (AP).—An inquest by a magistrate into the jail death of black leader Steve Biko will be held in Pretoria on Nov. 14, informed sources said today. There will be what the sources described as a brief opening technical hearing on Friday in Pretoria. Mr. Biko, regarded as the founder of the Black Consciousness movement in South Africa, died six weeks ago in detention in Pretoria. His death provoked an international outcry and aggravated racial tensions.

Response to Bonn's Raid on Lufthansa Airliner

Algeria Bars Use of Force Against Hijacker

ALGERIA, Oct. 26 (AP).—Algerian authorities said yesterday that they disapprove of the use of force against hijackers threatening the lives of airline passengers and will not allow any government to stage such operations on Algerian soil.

In the first official comment here on the West German rescue of last week of hostages from a hijacked Lufthansa Boeing 737 in Mogadishu, Somalia, the Algerian news agency said the government of President Houari Boumedienne remains convinced that the only way to deal with hijackers is to negotiate with them.

A high Algerian official, elaborating on the agency's statement, asserted that a government is "honored" to stand by whatever deal is made with hijackers to save the lives of hostages.

The official, who asked that his name not be used, referred particularly to the hijacking of a Japan Air Lines DC-8 that ended in Algeria on Oct. 3 after the hijackers had obtained a ransom of \$5 million and the release of six prisoners held in Japanese jails.

Out of the Country

It was the latest of numerous hijackings that have ended in Algeria in recent years. As in previous cases, the hijackers were allowed to slip out of Algeria to a country of their choice. The Algerian official hinted that they had all left the country and said Algerian authorities knew nothing of the whereabouts of the ransom.

The official said Algeria received

no official request from Japanese authorities for extradition of the hijackers or the return of the money, the largest amount known to be paid to hijackers of a plane.

The official said "it goes without saying" that Algerian authorities would never allow a Mogadishu-type operation here.

The official news agency said "certain Western politicians" had exploited the Japanese hijacking to attack Algeria as a place of asylum for hijackers.

Airline Boycott

"Although Algeria acted throughout this affair with strict-

ly humanitarian motives to the lives of the passengers, some persons have made Algerian statements and gone so far as to suggest a line boycott of airports and hijackers."

The agency said that "it has shown that it is accepting the demands of hijackers that it has been possible to save the lives of hijacked passengers."

"Although the new Western G-men perfectly agree with their Mogadishu operation, it is nonetheless true that it has ended in a catastrophe."



OFFICIAL VERDICT—Helmut Engler of the West German Justice Ministry announcing that the Baader-Meinhof gang terrorists committed suicide. State prosecutor Helmut Kasser is in the background.

Official West German Rep Calls Terrorists' Death Suicide

(Continued from Page 1)

cell and informed the other gang members of the failure of the hijackers' plot over a secret communications network that used the wires of the prison radio system, the report said.

The report said Baader and Raspe shot themselves. Miss Enslin hanged herself and Ingrid Moeller stabbed herself in the

chest. She survived after operation.

It is not known if weapons were smuggled in prison, the report said. It probably were brought in by some lawyers before the five were stopped after the kidnapping of industrialist Martin Schleyer.

"One must assume if prisoners aimed at making suicides appear to be of others," the report said.

Use of Gas Charge

Miss Moeller, in a statement from her hospital through her lawyer, said that any suicide pact charged that gas was into the cells. She said unconscious when she was inflicted and she and the three others had similar experiences.

The prosecutor's office this today. It said a medical examination of Miss Moeller the three dead terrorists showed no signs of gas or of

Palestinian In Assassination Of Emirates

ABU DHABI, United Emirates, Oct. 26 (AP).—Sources said that a man was to assassinate Syria's minister and killed the foreign minister of the Arab Emirates instead. Palestinian from Syria, Foreign Minister Halim Khaddam said he was several gunmen as came from Iraq.

Said Said Bin al-Ghob was killed yesterday by shots at the Abu Dhabi. Officials said that the attack apparently was visiting Syrian foreign whom Mr. Ghobash was seen.

Police sources said Palestinian was arrested police said they were looking for other persons suspected being involved in the attack.

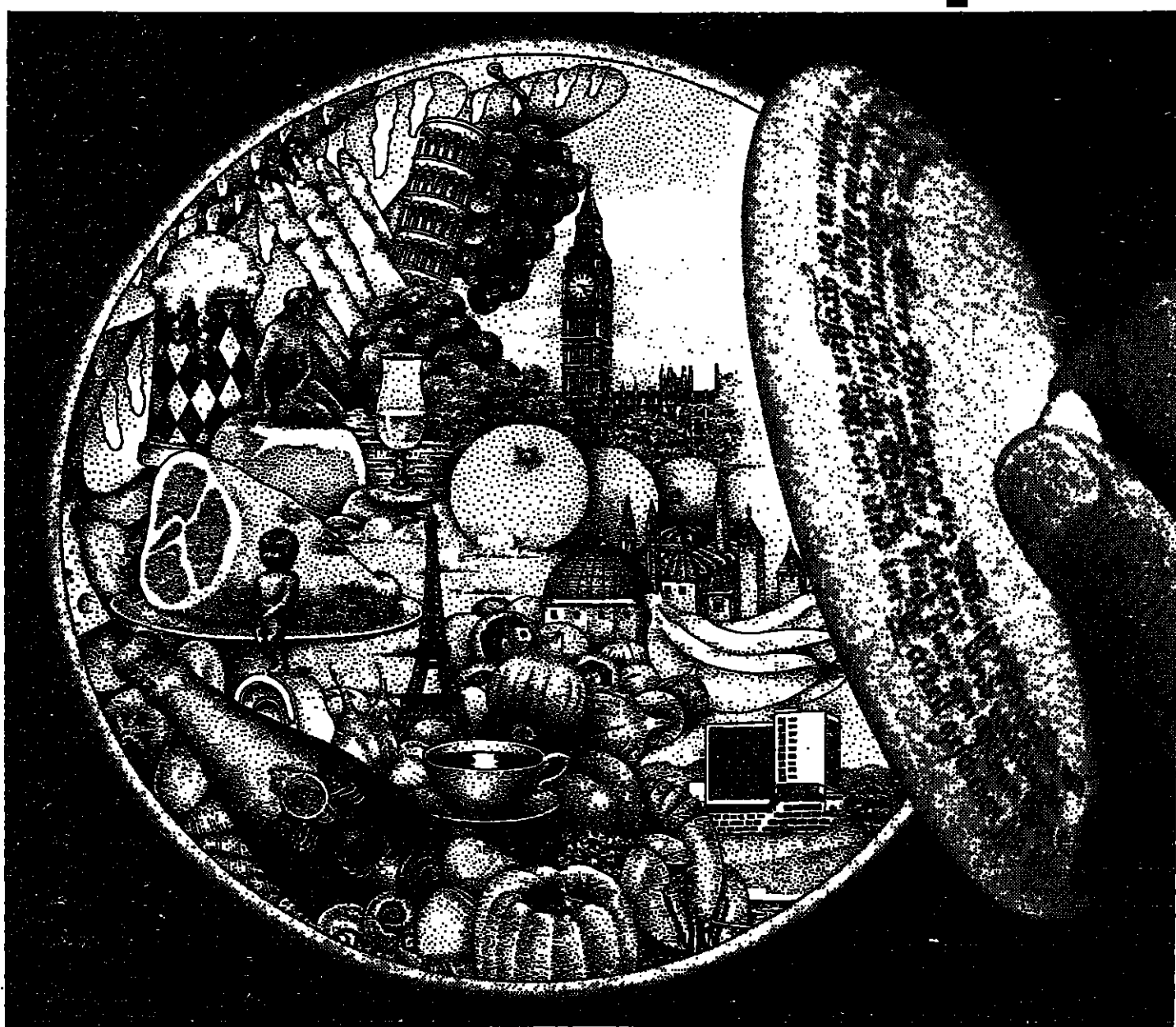
Mr. Khaddam said in Damascus that the gunmen came from Syria. The two new Arab countries are rival factions of the Ba'ath party. Relations been strained by dispute Syria's diversion of the Eu River, which flows through Syrian restrictions on Palestinians in Lebanon supported by the Iraqi

Syria has blamed Iraq for terrorist attacks in the last year, including an attempt to assassinate Mr. Khaddam in December.

3 Slain in Argentina

BUENOS AIRES, Oct. 26 (AP).—Leftist guerrilla suspected two Argentine police officers and a kidnapper were killed when a guerrilla hideout was raided yesterday. Sources reported today

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Both Unhappy

Conservatives, Liberals Query Carter's Human Rights Policy

By John M. Goshko

WASHINGTON, Oct. 26 (UPI).—The Carter administration yesterday ran into a congressional agreement about whether it is too zealous or too timid in championing human rights. The congressional split over whether human rights should be a major element of U.S. foreign policy became evident at a hearing of the House International Relations subcommittee. The subcommittee's purpose was to hear Mark Schneider, assistant secretary of state for human rights, and other government officials describe the administration's programs for giving human-rights considerations into its dealings with other countries. But questioning by subcommittee members indicated that both liberals and conservatives are confused about the effort and happy about some of the details it has taken. On the conservative side, Rep. Howard Derwinski, R-Ill., charged that the administration has poured human-rights violations on leftist governments and taken tough stands only against countries that are "strongly anti-communist."

Illegal Slogans Praise God In Leningrad

LENNINGRAD, Oct. 26 (UPI).—Religious slogans in English have appeared on several ambulances patrolling Leningrad, their drivers apparently unaware that they were publicizing the word of God, illegal in the Soviet Union. On Tuesday, one ambulance was spotted driving along the Neva River embankment with a scrawled message on its dirty back window proclaiming "God is coming." Another ambulance was seen yesterday on Nevski Prospekt, Leningrad's main street, with the words "Jesus saves" also scrawled on its mud-spattered rear window. A third ambulance, also with the slogan "Jesus saves," was seen yesterday across the Neva from downtown Leningrad. It was not possible to determine how many vehicles were involved, but some Soviet sources said that they thought the work was that of English-speaking tourists.

U.S. Denies Claim of Israeli Theft of Nuclear Fuel

WASHINGTON, Oct. 26 (NYT).—The White House said yesterday that as far as the Carter administration is concerned, allegations that Israel had stolen, and converted to nuclear weapons, fuel from the United States are unproved. Rolling Stone magazine said last week that Israel had assembled a nuclear arsenal with stolen uranium stolen from the United States and purchased in West Germany and France under the cover of blackings. The Israeli Embassy denied the allegations. John Powell, the White House press secretary, said that four years of investigation by the House Select Committee on Assassinations, the Federal Bureau of Investigation, and the Central Intelligence Agency failed to reveal such evidence. On Aug. 8, an investigator for the House of Representatives said that U.S. intelligence officials had traced uranium had been stolen from a secret facility at Apollo, Pa. Powell's statement indicated that President Carter considers investigations of possible thefts closed.

House Votes Bill on Prisoner Shift

WASHINGTON, Oct. 26 (AP).—The House gave final congressional approval yesterday to a measure that could bring several hundred U.S. citizens imprisoned in Mexico back to this country by Christmas. The vote was 400 to 10. The bill establishes the rules and procedures to implement the transfer of prisoners of war between the United States and Mexico and the United States and Canada. The prime beneficiaries are to be the estimated 800 U.S. citizens held in Mexico. Most were convicted of acting as couriers for drug-smuggling operations, the State Department said.

the opposite position. He charged the administration with "being bold where it's safe and good politics, like criticizing the treatment of Soviet Jews, while expressing only mild disapproval" when dealing with military allies like South Korea or traditional friends like the Philippines and Chile.

Rep. Ryan said there was an element of hypocrisy in the administration's position which he found "appalling and depressing." Mr. Schneider and the other witnesses replied that the administration's concern about human rights applies to every country, whether traditionally a friend or a foe, and that every effort is being made to express U.S. attitudes toward all countries where a rights problem exists.

However, Mr. Schneider said, the tactics cannot always be the same since they involve the particular relations that the United States has with a given country and the opportunities for leverage and persuasion that these relations afford.

"Hard to Define" The major difficulty is that human rights is a new policy," he said. "It's hard to define, and it cuts across the entire range of interests that the United States has with other governments. Therefore, these interests have to be integrated with human rights and taken into consideration."

He described a number of steps that Washington has taken for human rights, such as speaking out in international forums such as the Belgrade conference on implementing the Helsinki accords and making rights a factor in the granting of U.S. military and economic assistance.

Many of these actions have resulted in modest gains for human rights, Mr. Schneider claimed, but he added:

"Great caution must be exercised in attempting to assert that any of these events signify substantial change in the pattern of repression in particular countries. In virtually all instances, they are only a beginning; in some, they clearly are only cosmetic efforts to lessen external pressure. In none can we assume that violations of human rights are a thing of the past."

Heaviest Questioning On specific countries, the heaviest questioning involved Chile. The subcommittee chairman, Rep. Donald Fraser, D-Minn., who generally favors the administration's approach, pressed for recent statements by some State Department officials that have been interpreted as apologies for the Chilean regime's repressive policies.

In response, Frank McNiel, deputy assistant secretary of state for Latin America, said that the statements were intended only to note that some situations within Chile, such as the mass confinement of political prisoners and disappearances of alleged enemies of the regime, "are not as bad now as they were formerly."

However, Mr. McNiel said that "the changes so far seem more cosmetic than otherwise," that the "institutional nature" of the Chilean situation had not changed and that the State Department is still very concerned about conditions there.

U.S. Says Ex-Aide Of Firestone Tire Stole Slush Fund

NEW YORK, Oct. 26 (NYT).—A former executive vice-president of the Firestone Tire and Rubber Co. was indicted yesterday for allegedly stealing most of \$1 million in corporate money that was supposedly being used for illegal political campaign contributions. A 40-count federal indictment named Robert Beasley, 63, now living in Akron, Ohio, who was earning more than \$300,000 a year as executive vice-president for finance and vice-chairman of the board of directors when he resigned from Firestone last year.

His lawyer said that Mr. Beasley had not seen the indictment and could not comment on it. A spokesman for Firestone also said the company would not comment.

According to the indictment, Mr. Beasley controlled an "illegal political contribution program" for Firestone and used "methods of subterfuge" to divert most of the money to his own use, allegedly to buy securities and repay loans.

He was charged with fraud and interstate transportation of stolen property. If convicted, he could face up to 10 years in prison on each of the main charges and could be fined more than \$50,000.

Brezhnev Trip to Bonn BONN, Oct. 26 (UPI).—Soviet President Leonid Brezhnev will make an official visit to West Germany later this year, it was announced.



Oil rig aflame at the Elk Hills naval oil reserve.

California Oil Well Explosion Kills Three, Sets Fuel Afire

TAYLOR, Calif., Oct. 26 (AP).—Three oil-rig workers suspended in a basket above a well were burned to death yesterday when a geyser of burning oil spewed after an explosion deep inside the 7,000-foot well at the Elk Hills naval oil reserve.

Officials of the reserve, the nation's largest outside Alaska, sent for Paul (Red) Adair, an oil-fire expert based in Houston, to battle the uncontrolled blaze.

The cause of the explosion was "unknown," but a police official speculated that drillers had hit an underground pocket of gas.

The men who were killed had been trying, with men on the ground, to install a packer, a doughnut-shaped device, to keep oil and gas from escaping around the outside of a drilling rod.

"We tried to shove the packer in and it stuck," said one of two ground workers who escaped uninjured. "We opened it up and it still wouldn't move, and then the well blew."

The blast, which sent burning oil 100 feet into the air, blew the three men out of the basket, burning them more than 50 feet from the rig. The identities of the dead were not revealed, pending notification of next of kin.

Oil-field workers at this town 140 miles north of Los Angeles worked today to assemble 500-barrel water tanks for use by Mr. Adair's firefighters.

The workers also poured 800

gallons of water a minute onto the flames. But an official said: "There's no way they can shut off the flow of oil. They believe the control device to shut it off were destroyed in the explosion and fire."

Officials said no other oil wells in the field were endangered, and there are no buildings within a half-mile of the burning well.

Humphrey Returns to Warm Tribute in Senate

By John H. Averill

WASHINGTON, Oct. 26.—The Senate extended an affectionate and moving welcome yesterday to Sen. Hubert Humphrey as he returned to the Capitol after an 11-week absence and a second operation for cancer.

"I've been going through a pretty rough struggle," said the Minnesota Democrat, 66, his body frail but his voice vibrant, as he thanked his colleagues.

Most of the Senate's 100 members were at their desks and the galleries were jammed. Looking on from the family gallery were Sen. Humphrey's wife, Muriel, and his sister, Frances Howard.

Sensors and visitors arose in a standing ovation as Sen. Humphrey entered the chamber. The applause continued for seven minutes as Sen. Humphrey, his eyes glistening, moved about the room shaking hands.

Sen. Humphrey spotted a protégé, Vice-President Mondale, sitting at the Senate's presiding officer. He strode to the dais and embraced him.

It was an extraordinary scene. There were few dry eyes as the Senate welcomed back an old

friend who had learned in August that he has an inoperable abdominal cancer and that his case is terminal. A year ago, his bladder was removed in another cancer operation.

Yet, Sen. Humphrey, describing himself as always the optimist, sought to look at the cheerful side. "The greatest gift in life is the gift of friendship, and I have it," Sen. Humphrey, standing at his desk, said.

"In my 27 years in the Senate press gallery, this was the greatest demonstration of affection that I have seen," said Don Womack, the gallery superintendent.

In brief remarks before Sen. Humphrey spoke, Sen. Byrd, who

defeated the Minnesotan in a battle for the majority leadership in January, said:

"The presence of Hubert Humphrey in the Senate enhances the greatness that already inherently belongs to this distinguished chamber."

Minority Leader Howard Baker Jr., R-Tenn., followed. He told Sen. Humphrey: "We're glad you are back and that we have this opportunity to show our love."

"To those who say there no longer are any heroes in the world, I say 'You don't know Hubert Humphrey,'" said Sen. Wendell Anderson in concluding the tributes.

Then Sen. Humphrey took over and — characteristically — spoke

longer than intended. "I sort of got wound up," he said, apologizing for talking for 10 minutes. "I didn't intend to be that long, but that is the story of my life."

Sen. Humphrey returned to Washington on Sunday aboard Air Force One. President Carter picked him up in Minneapolis on the return flight from Los Angeles. Sen. Humphrey said that his doctors had told him a week ago that he could return to the Senate. "But I walked, because I'm a frugal man, until I could get a free ride," he said amid laughter. "For at least 20 years, I have been trying to get on Air Force One. Just the thought of it sent vibrations through me that gave me new hope, new strength."

(Los Angeles Times)

U.S. Space Shuttle Completes Final Air Test Before Orbit

EDWARDS AIR FORCE BASE, Calif., Oct. 26 (AP).—With Prince Charles in the gallery, the space shuttle Enterprise passed its fifth and final flight test today—a short, steep glide to a bumpy landing on a concrete runway.

As it touched down, the 75-ton shuttle rocked on the landing strip, hopped back into the air and settled down again safely. Today's one-minute-55-second flight was the last time the shuttle was to be dropped in flight from its Boeing 747 escort craft. The test glide—shorter and steeper than the other four—was to see how the shuttle landed on a concrete runway, which is what the ship will use as it returns from space.

The next shuttle flight will be a trip into earth orbit and back early in 1979. Prince Charles, as part of his three-day visit to southern California, flew by helicopter the 100 miles from Los Angeles to this desert Air Force base to watch the landing with NASA officials at a special viewing stand near the runway.

The shuttle's final test landing was more dramatic than the

other four, all of which used a smooth, dry lakebed for a landing strip.

Much like a jet airliner landing in high wind, the shuttle's huge rubber tires struck the concrete and the craft jounced several yards back into the air, its stubby wings swaying.

There was a sigh of relief among NASA officials when the Enterprise stayed on the runway and rolled to a safe stop. Astronauts Fred Haise, 43, and Gordon Fullerton, 40, who alternated during the test flights with Joe Engle and Richard Truly at the controls, flew the final test. After the flight, Mr. Haise and Lt. Col. Fullerton talked with Prince Charles, himself a pilot.

The craft is scheduled to be flown to the Marshall Space Flight Center at Huntsville, Ala., where it will be joined with booster rockets and tested for vibration and stability.

The booster rockets are used to shoot the craft into orbit. Returning from space, the shuttle will land in a manner similar to a glider.

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Tougher Laws Urged

Study Says Alcohol, Pills Plague Australia

SYDNEY, Oct. 26 (AP)—An Australian Senate committee says that the country is a society of drunks, drug users and cigarette addicts.

As a result of its findings, the committee has recommended tough new laws against advertising cigarettes and alcohol, strict control on the sale of analgesics, but lighter penalties for possession of marijuana.

The six-member committee released a 255-page report yesterday titled: "Drug Problems in Australia—an Intoxicated Society." The report estimated that

there were 250,000 alcoholics among Australia's 14 million population.

"We've been drunk since the first fleet arrived," said committee chairman Peter Baume, referring to the first shipment of convict settlers to Australia from Britain in 1788. "National tradition has been toward intoxication rather than sobriety."

The committee also reported: • Alcoholism had reached epidemic proportion and was responsible for 30,000 deaths in the past 10 years.

• As many as 10 per cent of

schoolchildren aged 10 to 17 get drunk at least once a month.

• The family lives of an estimated 1.4 million Australians were affected by alcohol, costing the community more than \$500 million a year.

The committee also found that Australia suffered the world's highest incidence of kidney disease through abuse of analgesics, with some people taking as many as 50 compound analgesic tablets a day.

It recommended that analgesic sales be limited and that packets carry a health warning.

The committee also called on federal and state governments to ban all cigarette advertising and end tobacco subsidies. Television and radio advertising was banned several years ago.

Australians smoke 2.8 billion cigarettes a month, the report said—equivalent to 200 cigarettes a month for every man, woman and child in Australia.

The committee split on decriminalizing marijuana. With Mr. Baume using his tie-breaking vote to carry the recommendation that possession of marijuana be reduced to an offense punishable by a fine of \$150. Laws vary from state to state, but Victoria is typical: Possession of less than 100 grams carries a maximum penalty of a \$500 fine and 12 months in jail.

The committee said that police should not photograph or fingerprint convicted marijuana users and no record of the offense should be kept by the courts. The recommendations are not binding on the government.

India Crash Kills 20

PUNE, India, Oct. 26 (Reuters).—At least 20 persons were killed and 35 injured in a bus accident here, the Samachar news agency reported.



PUMPKIN-PATCH WATCH—With a military mien drawn from his Los Angeles Dodgers helmet, 9-month-old Michael Bailey stands guard over a pumpkin patch in Los Angeles, possibly waiting for the Great Pumpkin to come for Halloween.

Revolt by Labor Worsens Dutch Cabinet Crisis

THE HAGUE, Oct. 26 (Reuters).—The Netherlands' political crisis over the formation of a coalition Cabinet worsened today after a Labor revolt against the party leadership.

The party's policy-making council ignored the advice of caretaker Premier Joop den Uyl and other leaders when it voted last night to reject a division of Cabinet seats negotiated with two other parties. The revolt came five months to the day after the Labor party enjoyed an unprecedented gain of 10 seats in a general election for the 150-seat Second Chamber, the lower house of the Staten General (parliament).

Angry Labor leftwingers accused the Christian Democrats, who came second in the election with 49 seats to Labor's 53, of

Airline Baggage Labels To Become Mandatory

GENEVA, Oct. 26 (UPI).—As of next Tuesday, airline passengers will be required to label all baggage with names and addresses to aid in the return of lost items, the International Air Transport Association said today.

It said that most lost baggage was returned to owners within 72 hours, but that time and money were wasted in tracing the rest.

trying to overturn the voters' verdict through delaying tactics.

Labor officials said that the parliamentary group was to review its earlier vote in favor of the accord in the light of the party council decision. The dispute might have to be resolved by a special party congress, the supreme policy-making body.

U.S. Reports Test Blast

WASHINGTON, Oct. 26 (Reuters).—The United States today conducted an underground nuclear test in the Nevada desert, the Energy Department announced. It said that the test had a yield range of less than 20,000 tons of TNT.

Asks Pressure on Turkey

Caramanlis Says U.S. Lags In Solving Cyprus Problem

By Nicholas Cage

ATHENS, Oct. 26 (UPI).—Premier Constantine Caramanlis of Greece said yesterday that the United States had the potential to solve the problems in the eastern Mediterranean but was not using it.

During an interview at his office, he blamed the United States for not having persuaded Turkey to negotiate on Cyprus because of Turkish threats to close U.S. military bases and move closer to the Soviet Union. He characterized such tactics as "amounting to blackmail."

"Any country that resorts to such pressure should be told to take its bases and go wherever it pleases," Mr. Caramanlis said, adding that 24 hours after the United States made that clear to Turkey, serious negotiations on Cyprus would begin.

Mr. Caramanlis also discussed Greece's relations with the United States, his plans beyond next month's elections and his own political beliefs.

Expects Mandate

He disclosed that one reason he had called national elections for Nov. 20—a year before he had to—was to demolish the extreme right and left by demonstrating that they had no broad support in Greece. He predicted that his New Democracy party would win an overwhelming mandate in the elections against the crowded opposition of half a dozen parties.

The 70-year-old Premier was flushed with confidence after the strong turnout Sunday for his opening campaign speech in Salonika, the capital of his native province.

Turning the conversation again to Greece's disputes with Turkey, he said that 7 per cent of the gross national product of Greece



Constantine Caramanlis

was being used for defense figure represents twice that of other European countries to allocate for defense, he said. "Turkey is also wasting on armaments," he said, "have to put an end to a sanity."

Mr. Caramanlis feels that though the American people Greece and do not want the Greek people, was has been unjust, to ave pleasing Turkey.

He said that in attempt solve his country's dispute Turkey he had followed a of moderation but had a little support from the States and no response from key.

Most Greeks feel that the United States could have Turkey from invading Cy 1974, and that Washington's the Pentagon, is toward Turkey ever since better that it is more valuable than Greece.

Opposition to the Unite was so strong after the invasion that Mr. Caramanlis pulled Greece out of the wing of the North Atlantic Organization. He has ma Greece's other links to however, and has India Greece would rejoin NATO the Cyprus problem was Mr. Caramanlis showed of his well-known temp it was suggested that am ters in Washington felt moved away from his five position since he 1974 after the fall of tary dictatorship.

On the Same Fa Striking his desk w edge of his hand for a he avowed that he has the same independent path in 40 years of pu "I'm not right, center o follow the policies I beli good for this country."

He surmised that the of his move toward the been prompted by his leg of the Communist party asked rhetorically, "Was able in 1974, after seven dictatorship, not leg Communists and still ca re-establishing democra Nevertheless, he said, b opposition to both the left and right had been son to call elections a ye although his party now of the 300 seats in parlia said that he wanted "to the legs of the extreme r left," illustrating his wo a decisive slicing gesture. The extreme left in the elections is represented Communist Party of the which follows the Soviet and the extreme right by tional Democratic Union includes supporters of tary junta and the m The other participants Democratic Center Unio won 57 seats in the last the Pan-Hellenic Social ment, which won 15 se Neo-Liberals, a new center party, and an al five leftist parties.

Marc Lalique Famed Make Glassware, D

PARIS, Oct. 26 (UPI).—glassmaker Marc Lalique, at his home in Wis Moder in eastern Fr Thursday.

Mr. Lalique was the successor of René Lal founded the Lalique firm.

He started working father in 1922 to create ware that became wide as collectors' items. over the firm at his death in 1945. His succe be a daughter, Marie-C

Félix Gouin

NICE, Oct. 26 (UPI). Gouin, 93, who for six was president of Franc was provincial govern President Charles d resigned in January. 1 yesterday at his home. He was a parliamenta from 1946 to 1958.

Carlo Deleoni

ROME, Oct. 26 (UPI). Deleoni, 61, who was 1 of the Italian War his equated for 21 years, wa public ingu, of the Post's reform, and y After the fall of Fas served from 1953 until 1 parliament member he actual Minister of

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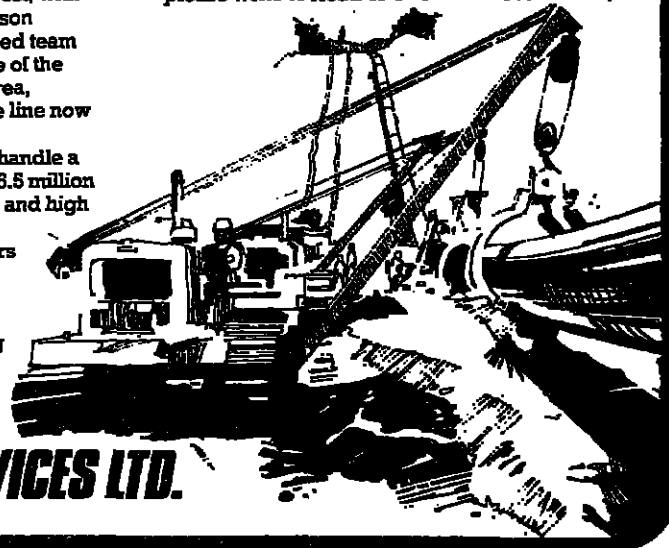
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trunk lines and main oil lines from production plant to booster pump station to terminal. The Company is particularly concerned to obtain expertise in high pressure gas pipeline maintenance.

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Loss of Minority Gains Feared e Suit Worries U.S. Educators

V. Roberts

SVILLE, Va., Oct. 26 (AP).—The Supreme Court arguments in the diversity officials try are expressing at a ruling against in programs would at gains made by professional education last decade.

year or two, the minorities in programs had leveled off, and in some cases, school would go to the poorer schools, and very few would be for the more competitive

Noise-Booming
In Hong Kong
HONG KONG, Oct. 26 (AP).—This report and business later may be the noisiest city in the world.

ant Program
Aid Economy
igned in Spain
MADRID, Oct. 26 (UPI).—President Adolfo Suarez and nine parliamentarians yesterday signed a joint program aimed at aiding Spain out of its economic

Double Standards
Privately, officials admit that double standards were applied in some cases, and minority students were pushed through with poor records. "Some law schools have gone overboard on this whole thing," said Dean Emerson Spies of the University of Virginia Law School. "They got so many marginal students that it affected the tone of the educational process."

1975 PARURE • 1969 CHAMADE • 1925 SHALIMAR

sional schools are producing sub-standard graduates. Officials insist that all their graduates meet certain minimum professional standards, but they concede that the gap remains large.

In the case now before the Supreme Court, Mr. Bakke contends that he was unfairly discriminated against when the University of California at Davis rejected his medical school application but accepted some minority students with lower test scores.

Leaving Off
Traditionally, professional education in this country was reserved for white males. Ten years ago, only 2.8 per cent of the medical students were from minority groups, and fewer than 1 per cent of the law students were nonwhites.

There are only 17 black doctors in Arkansas, but the first-year medical class at the University of Arkansas has 15 blacks. About 15 American Indians have recently graduated from law school at the University of California at Los Angeles, almost as many as the total number of Indian lawyers in the entire country 10 years ago.

The main motivation behind this change was the growing demand by minorities for a greater role in all areas of U.S. life. Campus demonstrations and protests, echoing with the angry rhetoric of black and brown power, forced the issue on often unwilling administrators.

Diverse Reasons
Today, even the most conservative administrators generally support affirmative action and agree with Frank Hale Jr., associate dean of the graduate school at Ohio State, who said: "A university doesn't deserve to call itself a university if it's not diverse."

This sort of rigid numerical target is under growing criticism from many university officials. "A quota system is counterproductive," said Dolores Burke, director of equal opportunity at Duke. "We may dip too far into the applicant pool. We don't want to place students in a position where they have no hope of succeeding."

In the late 1960s and early 1970s, many universities accepted almost any minority applicant, regardless of quality. This often led to a "revolving door syndrome," in which many students flunked out in the first year.

Double Standards
Privately, officials admit that double standards were applied in some cases, and minority students were pushed through with poor records. "Some law schools have gone overboard on this whole thing," said Dean Emerson Spies of the University of Virginia Law School. "They got so many marginal students that it affected the tone of the educational process."

from certain universities in certain years, your degree is suspect." A result of this double standard is that a much higher rate of black graduates than whites tend to fail the bar examinations.

Today, this picture has changed considerably. Deans agree they are admitting more qualified minority students, and a measure of that is the 12 grades. Nonwhites entering the Georgetown University Law School this year averaged 590 in law school aptitude test scores, as opposed to about 460 only four years ago.

A reason for this development is that students now entering professional schools have often benefited from affirmative action programs on the undergraduate level.

Secondly, vigorous recruitment efforts have encouraged the brightest black youngsters to consider professional schools. "More and more, blacks have the feeling that law school is something they can do," said Carmen Johnson, a second-year student at Virginia.

A third reason is that professional schools are much more selective than just a few years ago. Dean Potts of George Washington said that when affirmative action began, schools fell into the trap of believing that "the greater a person's handicap, the greater his ability."

Moreover, admissions officers are more sophisticated about measuring intangible qualities—motivation, maturity, character—that do not show up on test scores but often make the difference between success and failure.

Professional schools have also

Australia Reports Spying Increase

CANBERRA, Oct. 26 (AP).—More than half the 18 Soviet diplomats accredited to Australia's intelligence operations, according to a commission on intelligence and security.

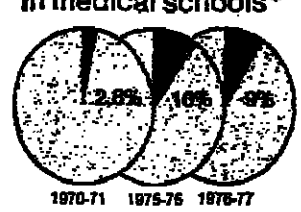
The commissioner, Judge Robert Hope, said the number of intelligence officers now operating clandestinely in Australia is "much larger than in the 1940s and 1950s" and is increasing.

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Minority Enrollment

In medical schools*



In law schools



*Excludes Alaska and Hawaii. Source: Association of American Medical Colleges, Association of American Law Schools.

learned that once they admit minority students, they must provide supporting services. One of the greatest needs is financial, and as Dean Hale of Ohio State put it, "An institution must recognize that affirmative action resolutions are meaningless until that institution is prepared to put its cash where it says its commitment is."

Special tutorial and remedial programs seem just as necessary. "It's a new way of life for most black students, if only they could adequately explain that to you," said Scott Selmer, a black graduate of Wisconsin Law School. "But they don't, so most people who come here don't know what's required of them. And you never catch up if you don't do well that first semester."

Not Always Popular
Support programs are not always popular. While minority students often contend that they need special preference when it comes to admission, once on campus they usually want to be treated like everybody else.

Despite the marked improvement by minority students, university officials agree that whites will continue to outperform nonwhites for the foreseeable future. "You don't have to go back to slavery for the answer," said Virgil Gordon, an assistant professor of sociology here at Virginia.

Black parents often value education, she noted, but lack the time or the knowledge to help their children. Financial pressures force black youngsters to work part-time or take care of siblings, leaving them less time for studies.

As a result, university officials agree, if affirmative action programs are not retained, minority enrollment will drop sharply. They concede that there have been mistakes in the past, and that some qualified white applicants will be denied admission, but most of them feel that the trade-off is worthwhile.

Prince Philip Fears Erosion of Rights in Britain of Future

LONDON, Oct. 26 (AP).—Prince Philip, who as Queen Elizabeth's husband is supposed to be neutral and nonpolitical, has painted a grim picture of a bureaucratically controlled Britain of the future, grinding down individual freedom of choice and responsibility.

In an interview to be broadcast tomorrow on Radio Clyde's small regional radio station, Prince Philip said: "Once a determined government begins the process of eroding human rights and liberties—always with the very best possible intentions—it is very difficult for individuals or for individual groups to stand against it."

"If the experience of other countries is anything to go by, the increasing bureaucracy will mean a gradual reduction in the freedom of choice and individual responsibility, particularly in such things as housing, the education of children, health care, the ability to acquire or in-

Canadian Finds Sure Way to Beat Skunk of a Rapist

MINNEAPOLIS, Oct. 26 (UPI).—To fight a skunk, smell like a skunk, inventor Paul Le Blond decided in working out a new product to fight rape.

The Canadian promoter has brought out a synthetic skunk oil which he calls Rapel. A woman can pin a tiny capsule of Rapel to her underwear and at the moment of immediate danger squeeze it.

Mr. Le Blond claims that the would-be rapist cannot escape from the lingering smell and can thus easily be caught. He claims that an attacker was caught within 25 minutes after he tried to rape a Canadian woman.

He expects to sell 66 million Rapel kits around the world in the first year the product is on the market.

Sees Encroaching Bureaucracy

herit personal property, to hand on commercial enterprises, and the ability to provide for old age through personal savings, and perhaps most important of all, the freedom of the individual to exploit his skills or talents as suits him best.

The Prince's remarks are part of a series of six programs in which prominent persons have been invited to give their views of what Britain may be like in 2000.

A transcript of the interview

Sakharov Says Official Searchers Ransacked Home

MOSCOW, Oct. 26 (UPI).—Andrei Sakharov, the Soviet dissident leader, said yesterday that his apartment in Moscow had been broken into and ransacked in what he believes was an undeclared search by the authorities.

Mr. Sakharov told Western journalists that the lock was forced on his apartment yesterday and it was "left in complete disorder."

He said those who broke in "turned out every drawer and cupboard and threw everything onto the floor." The searchers ripped out the lining of clothes and tore open cases "as if they were looking for something."

He said that he did not plan to complain to the police because he felt it would do no good.

Mr. Sakharov's main residence is at a country home 20 miles outside Moscow.

Florida Boy Doomed In \$6-Robbery Killing

SEBRING, Fla., Oct. 26 (AP).—A 16-year-old boy who was convicted of shooting an elderly widow to death in a \$6 robbery has been sentenced to die in the electric chair.

Frank Ross Jr. of DeSoto City, Fla., showed no outward reaction Monday as Judge Clifton Kelly imposed the death penalty for the murder of 64-year-old Helen Dixon in November, 1976. An appeal is automatic when the death penalty is imposed.

was leaked to newspapers, which printed extracts today.

In the past, the Prince has frequently been criticized by leftist politicians and others for his remarks about life in postwar Britain.

In January, he compared Britain's economic troubles to the spread of dry rot in a building, adding that Britain had "virtually left the league of the big powers" and was heading for the status of a Third World nation.

Protection Against Failure

In February last year, he wrote: "The welfare state is a protection against failure and exploitation, but a national recovery

can take place only if inventors and men of enterprise and hard work can prosper."

The reaction to these and other remarks, caused the Prince to comment, "I'm always getting my teeth bashed in over something I've said."

In the Radio Clyde interview, the Prince said:

"Some of the things I have said may strike you as unthinkable in this country with its tradition of freedom and tolerance. I can only say that there are people to be found in many other countries who felt the same way, but the unthinkable happened to them." He cited the example of Nazi Germany.

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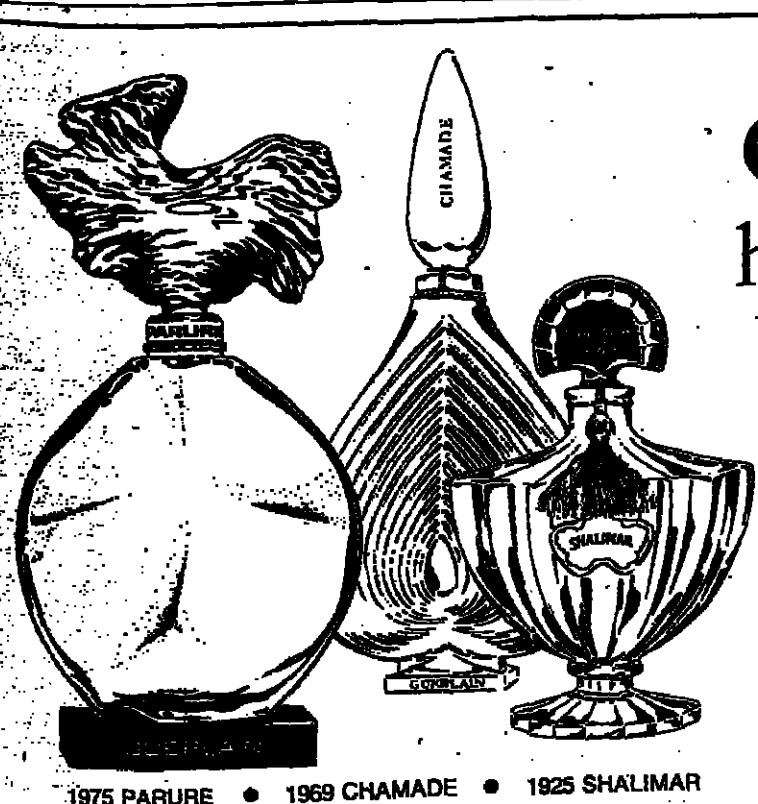
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Mr. Carter's Tax Bill

Having lost control of his energy program altogether in the Senate, President Carter is now struggling to repackage it in the House-Senate conference. Congress is naturally enough, giving primary attention to the plan's effects on energy consumption—but the energy plan is also a vast and complex tax bill. If you try to follow Mr. Carter's various tax policies, in energy and in his other legislation, you will see some of the reasons for his current troubles in Congress.

The Carter administration has talked a great deal about tax reform—understandably, when you recall how much candidate Carter talked about it last year—and a bill under that label is promised this fall before the end of the congressional session. But the reform bill will be, in fact, the fourth Carter bill with major importance for taxation. The first three—energy, Social Security financing, and welfare reform—were not very tightly fitted to each other when they left the White House. But the longer Congress works on them, the more anomalies and collisions of purpose they contain.

As new presidents occasionally do, Mr. Carter tends to overestimate the power of the office. That leads him to spend too much time on the preparation of his programs and not enough on what happens to them after he has sent them to Capitol Hill. Having an orderly and precise mind, Mr. Carter also likes to think in terms of intricate, comprehensive solutions. The Carter White House has shown itself very good at launching enormous amounts of highly complex legislation. But it doesn't seem to have any very effective way to follow that legislation thereafter, to see that all the parts continue to fit together as they move through Congress.

The energy taxes are in doubt, the tax-reform bill has yet to appear and the administration is currently also considering a tax cut to stimulate the economy. But amidst all that uncertainty, there is one thing that you can say with absolute certainty about U.S. taxes: they will rise automatically next January, as the new Social Security rates take effect. Present law requires an increase of \$9 billion a year. To keep the fund solvent Mr. Carter proposes raising its revenue a further \$7 billion a year, and Congress will probably insist on collecting all of it through the traditional method, the highly regressive payroll tax. The forthcoming tax-reform bill is reported to contain

an income-tax cut of about \$20 billion. It's important to keep in mind that the first \$15 billion or so of that cut would only offset the rise in Social Security taxes.

When the Carter administration talks about tax reform, it means income taxes. For all its faults, the income tax tries to follow a rule of fair treatment through all of its credits and deductions. There are no credits or deductions to the Social Security payroll tax. Everybody pays the same rate, on every dollar from the first he earns up to (currently) \$18,500 a year. The income tax's earned-income credit is supposed to be a kind of compensation for the burden of the payroll tax on the people employed at very low wages. The Carter welfare bill would expand the earned-income credit, but mainly for people in the low-middle range—not the people at the bottom of the income ladder.

Mr. Carter's tax on crude oil is in trouble partly because the administration has never come clean on its plans for all that money. Last spring officials said that it might be used for welfare reform. Later the administration said that the oil-tax money might be used to pay for the income-tax cut in the tax-reform bill. If the new tax is paid by everyone who uses oil and rebated through income-tax cuts, that is a fair and reasonable mechanism. It hurts people who insist on using a lot of oil and it benefits people who use less—which includes most of the poor. But there is now a looming possibility that Congress will rebate a very large proportion of that oil-tax money to oil producers. That would shift the national tax burden more heavily onto all consumers, rich and poor, to the benefit of the oil industry. Mr. Carter doesn't like that idea. But there are indications that he may accept something like it to get his energy legislation through the conference.

The case grows steadily stronger for deferring the tax-reform bill, rather than scrambling to fulfill a campaign promise with ill-considered legislation that Congress isn't going to act on until next year in any case. The administration already has more tax legislation in motion than it can manage. The immediate need is closer attention by the White House to effects on the present bills on U.S. economic growth and the distribution of their burdens among taxpayers.

THE WASHINGTON POST.

International Opinion

The West and South Africa

Has the West taken leave of its senses over South Africa? ... The signs suggest it. The main focus of error lies in the White House, but all the main Western democracies are caught up...

The ostracizers were, until not so long ago, in the minority. Now it seems, and quite suddenly, they have taken over. This stems from President Carter's hazy, emotive attitude toward Africa in general, which in turn is part of his "human rights" rhetoric. It is revolt in South Africa that is being encouraged now by the West, whether it knows it or not.

—From the Daily Telegraph (London).

The repressive measures of the South African government have received the usual condemnation from the Western press and intellectuals.

That only goes to show their utter lack of understanding of South African problems.

Why should this be so? The true answer to this question is extremely unflattering to Western politicians. So obsessed are they with the rhetoric of "human rights" that they fail to understand the realities of politics.

South Africa is a bastion of the West besieged by enemies, and in order to defend itself—and us—it is compelled to take measures which are contrary to the principles by which we would like to live in an ideal world.

—From the Daily Express (London).

Australian Election

At this stage [before the Australian general elections], Prime Minister Malcolm Fraser, who heads the Liberal coalition, is the most likely winner of the poll. The Labor party is still shaken by its defeat in

1975 and Gough Whitlam too discredited to lead it convincingly. His heir apparent, Bill Hayden, has yet to show that he can take the rough and tumble of leading either the party or the government.

The unknown factor is the emergence of Don Chipp's Australian Democratic party with its slogan of a pox on all politicians. After the weary years of political infighting and the distrust of government that has grown with the recession, Mr. Chipp's appeal could be considerable. If it is, then Australia, like Britain, could find itself with a minority administration in which the unpredictable Australian Democratic party would hold the balance.

—From the Financial Times (London).

Fusion Project in Britain

Even by the standards of the EEC, two years is a long time for a decision... at times it seemed the project [a nuclear fusion project] would generate more ill-will than cheap energy—its ultimate aim... The rival American project at Princeton is forging ahead... although the Americans have been experiencing some problems on the design side, they have enjoyed the benefit of a firm decision to go ahead more than two years ago...

When the issue at stake is, ultimately, the possibility of providing boundless energy from cheap raw materials, two wasted years can be ill-afforded, and will now have to be made good. It would be a great pity if the lamentable performance of the EEC nine member states in this saga were to act as a deterrent to further cooperation in the field of advanced technology. The interlocking fields of energy, industry and advanced technology are prime candidates for the pooling of the EEC's individually limited but collectively impressive resources of capital and skill.

—From the Times (London).

In the International Edition

Seventy-Five Years Ago

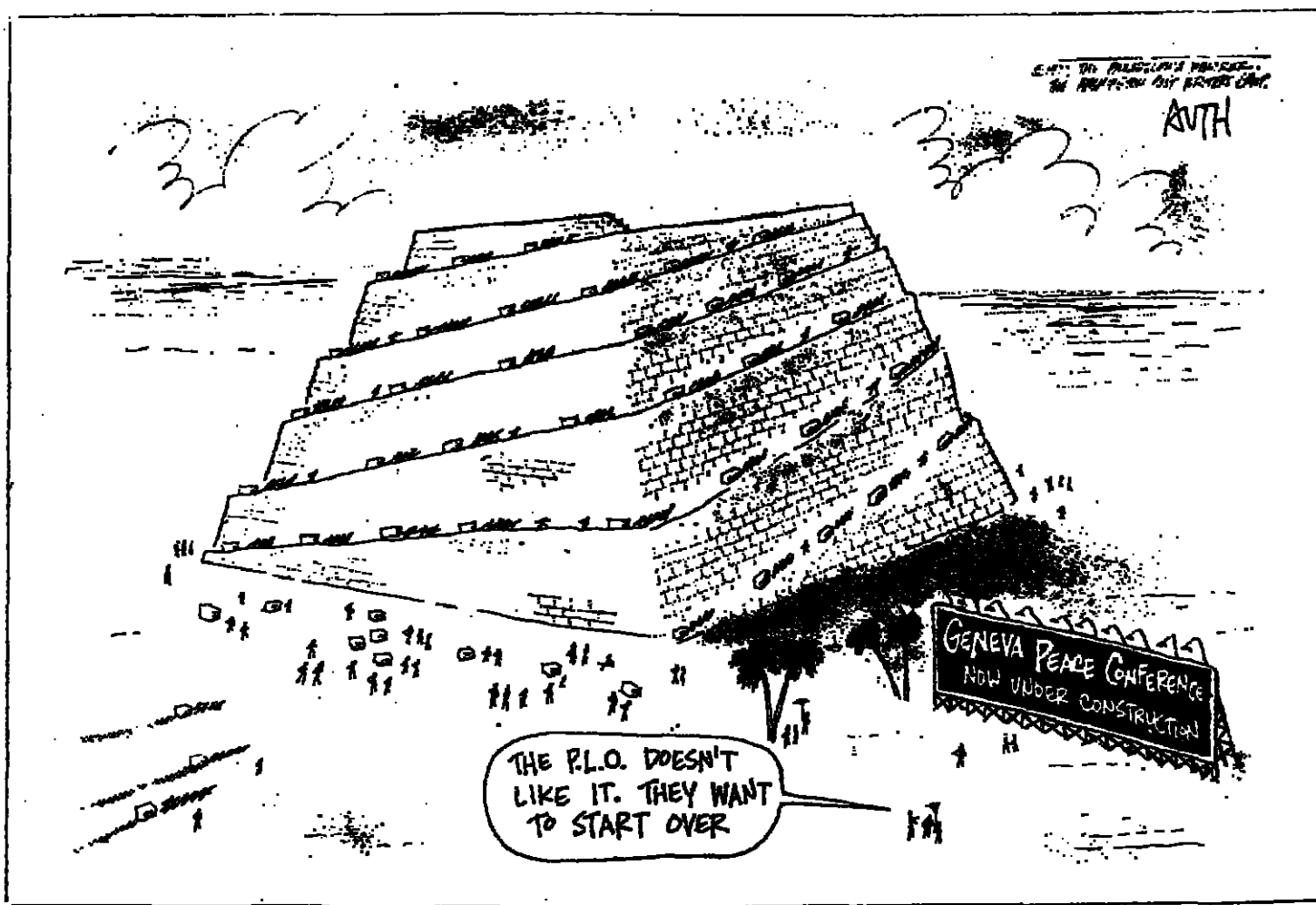
October 27, 1902

BERLIN—Sarah Bernhardt has accepted an invitation to attend a reception tendered by the literary of Berlin tomorrow evening, when old differences will be buried and the loving cup passed. Indeed, the "Divine Sarah" announces in a telegram to the president of the Berlin Press Club that she will come in a special train from Copenhagen, so as to be there on time.

Fifty Years Ago

October 27, 1927

PARIS—Theodore Dreiser, the U.S. novelist, arrived in Paris yesterday on the way to the Soviet Union, professing a wide-open mind and only a vague idea of what he will see and learn in the next two months as a guest of the Soviet government. He will be a strange guest, an ignored guest, free to tramp about the country and observe the people and customs as he will.



Russia in the Mideast: A Past and Future Role

By Chalmers M. Roberts

WASHINGTON—Because President Carter agreed to a joint Soviet-U.S. statement on how to proceed to a resumed Geneva conference, he is being castigated in some quarters for "letting the Russians back into the Middle East." Some of the flak comes from those Israeli backers here who don't want to admit that they are against any agreement, some comes from U.S. hardliners on the Soviet Union who congenitally believe that in any joint venture Washington will be taken to the cleaners.

Carter deserves criticism for his administration's handling of the joint statement in terms of congressional relations. But on the substance of the charge it is closer to the truth to say that 1) the Russians have been in the Middle East for a long time and 2) while their power and influence there has had its ups and downs from one period to another—and will continue to—they are going to be an important element in the area for the indefinite future.

Ultimatum

The Soviet interest in the Middle East was first bluntly stated just before World War II during the period of Hitler-Stalin collaboration. The foreign minister, V. M. Molotov, secretly told the Germans that "the focal point of the aspirations of the Soviet Union is south of Batum and Baku and in the general direction of the Persian Gulf." The Moscow effort in that direction—keeping troops in northern Iran after World War II and setting up a puppet regime in the Azerbaijan region of that country—ended in 1946 when President Truman served Stalin with a virtual ultimatum to get out. He did.

Although the Soviet Union voted in the United Nations for the creation of Israel in 1948 and was the first power to recognize the new state of Israel (the United States was first to do so), Moscow soon began to favor the Arab side in the Arab-Israeli conflict. Nasser came to power in Egypt in 1953, and Stalin died in 1953. Khrushchev abandoned Stalin's old formula of "if you're not for me 100 per cent you're against me" and saw in such gray areas as Egypt vast new opportunities.

When he failed to get the arms he wanted from the United States, Nasser, in 1958, approached the Soviets through Chinese Premier Chou En-lai when the two men met in Burma. The deal, disguised as with Czechoslovakia rather than with the Soviet Union, was consummated two months before President Eisenhower met Khrushchev at the Geneva summit conference. Thus did the Soviet Union first really enter the Middle East.

Upspot

Secretary of State John Foster Dulles, who tried to dissuade Nasser, ended up denying U.S. help to build the Aswan Dam. The upshot was Nasser's nationalization of the Suez Canal, the disastrous British-French attempt to retake the canal by force in secret conjunction with the Israelis, none of whom told the United States what they were planning. British and French power was all but ended in the area, the Russians backed Nasser to the point of threatening missiles on London (but only when it was clear they would never have to carry out their threat) and Moscow gained more influence in the Middle East by financing the Aswan Dam.

The Russians since then have consistently played the Arab game, at varying times in close

relationship with Egypt, Syria or Iraq as well as with the most radical elements controlling Libya and Algeria and the more recently created Palestine Liberation Organization. It is noteworthy, too, that Moscow never seemed to be deterred from sticking to its Middle East game despite major problems in Eastern Europe, with China and with the United States.

The Israeli military triumph in the 1967 war led to Arab rearmaments against Moscow for not stopping it to aid Nasser's Egypt. Moscow re-equipped the shattered Arab armies but the limits of its aid in the continuing Arab-Israeli struggle disillusioned many in the Arab world. In 1970 Moscow put its own pilots and planes into Egypt. But, after Nasser's death, by Anwar Sadat, Moscow-Cairo relations became strained. Sadat expelled the Russians and gambled on American help.

Costly Victory

The 1973 Middle East war showed that for all Israel's superiority in ability and weapons, its victories were becoming much more costly. It became evident that in yet another war the death and destruction very likely would be far worse on the Israelis as well as on the Arabs.

In retrospect, a lot of Amer-

icans have argued that Israel made a serious mistake in not making a generous peace offer in the wake of the 1967 war. The United States was so involved in Vietnam in the remaining years of Lyndon Johnson's presidency that it had little time for the Middle East. In the first Nixon year, 1969, Washington began talking bilaterally with Israel and the Arabs but to no effect. These talks eventually turned into four-power (U.S., British, French and Soviet) discussions at the United Nations.

The Nixon administration, most specifically Henry Kissinger, adopted the posture that participation of the Russians in any serious effort to settle the Middle East problems was both unavoidable and inevitable. The Russians, suffering from Sadat's hostility and rebuffs, wanted in on any discussions. Moscow may not have had the old clout in Cairo that it had in Nasser's day, but it had and retains today influence in the radical Arab states and among the Palestinians.

Furthermore, Kissinger's basic approach to the Soviet Union was to try to construct a web of interlocking interests, beginning with nuclear-arms control, that would keep the peace. It is as unthinkable now as it was at the time of the 1972 Moscow summit

that the Soviet Union could be left "out" of the Middle East if the central relationship, sometimes called "détente," is to flourish.

It can be, and it is, argued that today the United States is just as influential as the Soviet Union in Syria and that the Palestinians view Washington as the key to their gaining a permanent place in the Middle East. But this does not, conversely, mean that Moscow has no weight to throw around in the area; it clearly does have the ability to make trouble for or to ease the path toward any Arab-Israeli accommodation that Washington can work out. This may be a marginal influence, but it could be crucial.

To say, then, that Carter has "let the Russians back into the Middle East" is, on the face of it, preposterous. Their role as co-chairman of the Geneva conference obviously offers no guarantee of success. But the record shows they have gained and hold influence in the Middle East that cannot be excused by words or ignored in fact. And all this can be said without even considering the Soviet role in the future of Middle East oil supplies to the Western nations.

Mr. Roberts, now retired, was the chief diplomatic correspondent for The Washington Post.

An Answer to Third World Woes

By Jonathan Power

LONDON—Washington has the highest per capita income of any city or state in the United States. It also has more doctors per head than anywhere else. Yet it has the highest infant mortality rate in the country. In fact it is higher than in a number of underdeveloped countries.

"Poor capitalism," as Keynes would have said? Or the legacy of decades of rule by a Capital Hill junta? A bit of both, no doubt.

If this happens in one of the world's richest cities, how much more likely is it in Lagos, Sao Paulo or Jakarta, where juntas and elite-biased economies abound? Quite clearly poverty of the magnitude that exists here is not going to be cured by the normal workings of incremental growth produced by the gross national product machine.

Downward Course

If anything, the economic plight of the bottom half of the Third World is on a downward course. Hollis Chenery, Irma Adelman and other scholars have drawn a picture of a pattern of wealth distribution which makes the developed countries look positively egalitarian. Another report notes: "Economic growth appears to have done little for the poorer of the Third World's rapidly growing populations."

In almost all larger poor countries of Asia there has probably been stagnation or decline in the living standards of

the poorest 25 to 45 per cent... It was not growth as such, but the structure of ownership and power, and the policies pursued by governments, which prevented the poor from benefiting from growth—a German leftist tract? No. A recent World Bank issue paper.

Is there an answer? The Overseas Development Council, which computed the figures on Washington mortality rates, believes it has one—at least for the Third World. (Although it wouldn't be surprised if the technique also found a use in the developed world itself.) It calls it a "strategy of basic human needs."

This approach says simply: Forget GNP growth as the "be all and end all." Use it only as one element in a wider force deployment.

Added to the target of GNP growth are the goals of food self-sufficiency and the satisfaction of man's most basic needs: The end of infant mortality, a decent life span, the ability to read, and a job. A development program should line up on these targets and move directly toward them. James Grant, the ODC's president, calls it "triple targeting." He says: "An effectively mounted 'triple target' program by the year 2000 would result in low-income countries first increasing their annual grain production by approximately 250 million tons (equivalent to current U.S. production)."

Doubling GNP

Second, raising life expectancy and literacy from approximately 50 years and 35 per cent to some 63 years and 70 per cent respectively; and reducing infant mortality and birth rates from 134 and 40 per thousand to 71 and 25 respectively.

Third, it would mean doubling per capita GNP to \$330. If all this were done, argues Grant, then the Third World would have gained a higher floor under the essentials of life than the inhabitants of Washington, even though statistically their average level of GNP wealth would be only one-twentieth.

The cost?—a cool \$13 billion annually, a doubling of the present Western aid budget. However, perhaps a quarter could come from redirecting current aid flows.

Setting this cost against the increase in the expected annual U.S. military budget between now and 1982, a rise of \$80 billion, the figure is hardly over-

whelming. Indeed if it contributes to diminishing the chaos and violence that lies bubbling below the surface of mass poverty, it is likely to be more dollar-effective than increases in military expenditures.

What response is all this talk of minimum human needs getting? A surprising amount. Zbigniew Brzezinski sees it as an imperative, a necessary corollary to the human rights strategy. The problem, as Brzezinski interprets it, is partly the bureaucracy: "It is a terribly difficult thing to crystallize into a single policy. It is the sort of thing which produces interagency disagreements." Also it "makes some of the developing countries uneasy." They see it as "a threat to their growth-oriented strategies."

Scales Tipped

However, on the Third World side, the scales have suddenly tipped. The new Indian government, which rules over 30 per cent of the Third World's population, is attempting to reorganize for a minimum human needs attack. China, which has another 40 per cent of the poor world, could already be said to be practicing the idea, albeit within an authoritarian framework.

The fact remains, most underdeveloped countries, ruled as they often are by overpaid urban-orientated elites, shy away from the implications of such a radical policy.

It would be a sad epitaph to a powerful but simple idea if the bureaucracies of the rich and the poor countries combined against this answer to mankind's crying needs.

PARIS COLLECTIONS

The False Ingénue to the Fore

By Hebe Dorsey

PARIS, Oct. 26 (UPI)—The femme fatale is out. The new fashionable woman, as revealed at this week's ready-to-wear collections, is a seductress, but she is a young Venus with just enough baby fat left to make for soft curves and sweet, dimpled cheeks. She wears her jewelry and little quilted bags bandolier style.

She is a blonde or Titian redhead and wears her hair as a triumphant, blowing halo. For the first time in years, top hairdressers such as Alexandre, Carita or Maurice Franck are waking up and are excited that she won't put up with serious, tight chignons of seasons past. So, they give her masses of curly hair, ranging from naïve ringlets to foamy, wavy masses that

don't look like they ever saw a hairdresser. She wears amusing, insignificant straw ornaments, fresh field flowers or hats—perky straw boaters, black sombreros or flat, flowered platters. A false ingénue, she knows all the ruses and can walk around sensuously on very high heels or switch to a gamine Gigi in flat sandals that give her skirts a swinging, sexy swirl.

She has soft, round shoulders and a tiny waist that she cinches with sashes, cummerbunds and wide but often contrasting belts. It's been a long time since she showed her waist and it is clear she is going to make up for it. Even long, floating tunics come with or without belt, but the belted version is more in. Although she has a slim body, she is no longer the skinny clothes horse she was a few seasons ago. She has a trim, flat stomach but more than enough bosom to make all those new malleos come to life. And all these see-through saucers reveal more than just curves. This woman is happy. Men are looking at her again.

The story at Jean-Louis Scherrer was one of lovely-looking clothes which need not be an insult. Fashion today is traveling on two levels: one is restive, creative. The other is calm and classic and plays the elegant, tried-and-true sort of confidence.

Scherrer has finally reached the point at which he does not

need to worry. His natural feeling for luxury and personal way of interpreting the latest trends have made him a favorite of Mrs. Valéry Giscard d'Estaing and a number of society women whose lives include official or semi-official functions. Among them: Countess Robert d'Ornano (whose husband once backed the house of Scherrer), Mrs. Patrick Guerrand-Hermès and Baroness Edmond de Rothschild.

In one of his most accomplished collections, Scherrer showed the most exquisite suits in town. Often mixing textures and colors, he showed a tan nubby cotton, with a pale silk blouse and a black linen blazer.

A black satin cotton skirt was worn with black knit tank top and white linen blazer. That blazer was everywhere, and Scherrer used it to full advantage whether it was a flowered cotton one to go with his pretty, long garden dresses or a pin-striped one for a more serious, *Madame la Présidente* kind of outfit.

His ruffled malleos, worn with pretty, dancing skirts, were good for much more than a chic pool. The evening wear, built around champagne, silk, ruffled and pleated all over, were ample proof that the *distingué* look still goes.

For jewelry, Scherrer, who did more than any other couturier in town, turned out Lalique-like glass and gold butterflies that the girls wore in their hair or as a huge pendant.

Hanne Mori is a nice way of



Jean-Louis Scherrer's white linen jacket over long skirt.

closing the fashion season. Her clothes are as serene as a Japanese tea ceremony. Her guest of honor was Japanese Ambassador Ideo Kitahara, who said he was choosing dresses for his wife.

"Oh! lovely," he said, when a couple of jumpsuits, with big batwing sleeves and skintight pants came on the runway.

The big, taffeta plaid harem

pants with soft chiffon blouses had punch but the floating ponchos, made of chiffon scarves in delicate, and unusual prints, are what Hanne Mori is famous for.

Her boutique is one of the least advertised but best in town. Her choice of accessories is done with a sure, elegant hand and prices look under control. Her suede department, including the blouses and bags, is first class.

Literary Feud Continues

Mailer vs. Vidal Again With Fists

By Nancy Collins

WASHINGTON, Oct. 26 (UPI)—The way Norman tells it, "I've been looking for Gore for six years and last night I finally found him. When I saw Gore, I just felt like hitting him in the head, so I did."

The way Gore sees it, he was "just innocently standing" in the crowded, star-studded living room of author Lally Weymouth when "I felt a hand on my shoulder, turned around and saw Norman who said, 'You look like an old Jew.' So I said in my wittiest repartee, 'Well, Norman, you look like an old Jew, too,' at which point Norman throws a drink in my face. Naturally, I was half-blinded and next thing I knew Norman shot his tiny fist upward, hitting me on the right side of the mouth."

So the festering and famous feud between literary heavies Norman Mailer and Gore Vidal erupted into violence around 11 p.m. Monday night to startle, but probably not surprise, witnesses at a genteel gathering of many of the literary giants in the United States.

Almost everyone had a version of the fight that differed in some respect from that of his neighbor.

The dinner party, honoring British publisher George Weidenfeld, included CBS board chairman William Paley, Jacqueline Onassis, Peter Hamill, writers Susan Sontag, Lillian Hellman, Atlantic Records mogul Ahmet Ertegun, Evangelina Bruce, Hollywood agent Sue Mengers, Rolling Stone's Jean Wrenner, Esquire editor Clay Felker with author Gail Sheehy, British Ambassador Peter Jay, writer Gay Talese, TV personality Barbara Walters, William and Rose Styron, millionaire businessman Max Paley, New York Magazine editor Joe Armstrong, California Gov. Jerry Brown, Barbara Howard, New York Times assistant metropolitan edi-

tor Warren Hoge, Mariella Agnelli, Katharine Graham, publisher of The Washington Post and mother of the hostess, economist John Kenneth Galbraith, Random House chief and Vidal publisher Jason Epstein and wife Barbara, writer Shana Alexander and others.

According to Mailer, the motivation for his Monday night actions sprang from a similar confrontation between himself and Vidal six years ago, prior to a dual appearance they made on the Dick Cavett TV show. (Mailer writes about this in some detail in the current issue of Esquire.)

Since then, Mailer said yesterday, Vidal has spent the past few years systematically humiliating me to the point that when the man walked into the same room as I was in, there was no way I could ignore him."

There is no disagreement on the part of anyone at the party that the one thing Mailer did not do was ignore Gore Vidal.

Mailer said, "I butted him. Then he shoved me. I then threw my drink at him, and then my glass, which bounced off Gore's head. Now, frankly, I don't remember throwing a punch, but it is conceivable that I did. But I do remember I did the best I could to rip his coat. A couple of minutes later I invited him downstairs which provoked his constant companion, Howard Austin, to start yelling. So I said, 'Shut up, you flea, and then got inspired enough to ask both of them to come outside with me."

A Denial

Mailer says he didn't even call Vidal "an old Jew."

"I said to Vidal, 'You look like a Jewish socialist,' which is to be differentiated from a socialist Jew. The former is a way of twisting him; the latter would be anti-Semitic. You see, years ago, Vidal used to refer to me as a 'Jewish socialist.'"

Meanwhile, Lally Weymouth—she recalled it yesterday—walked into her living room from the kitchen to find "two guys punching each other out in my living room. It happened so quickly I didn't know who was hitting whom. Needless to say I was not thrilled to be having a fist fight at my party and when I saw what had happened, I said, 'God, this is so awful; somebody do something' and Clay Felker said, 'Shut up, this fight is making your party.'"

According to guest lawyer-agent Mort Janikow, who finally did tear the two apart, Mailer didn't really attack—he charged.

"There I was, see, standing there talking to Hamill and Felker when all of a sudden there was Norman pitching a full glass of booze all over Gore and taking a punch. Gore just stood there kind of frozen. I'd say they were scuffling, but actually Gore was being scuffled at."

"Running over I pulled Norman off of Gore which made him stumble into Max Paley who consequently spilled his glass of champagne all over Lally's dress."

Felker started signing up the big-name eyewitnesses to write their versions of the fight for Esquire.

And the sniping continued into yesterday.

Mailer: "There just happens to be this lingering notion that I'm a gentleman who cannot listen to insults about himself and not respond... as for Vidal, well, he's nothing but a mouth."

Vidal: "As far as Norman thinking I go around insulting him, why that's ridiculous. I hardly ever mention him because I actually feel sorry for him. After all, it's not easy being a failure like Norman."

And so it went—a new chapter in literary feuds, obviously to be continued...

WAVERLEY ROOT

Mushrooming Up to 2,000 Species

THERE are believed to be about 100,000 species of fungi, but less than half of them are mushrooms, as the layman understands the term. Among these fungi are lichens, yeasts and moulds like penicillin.

What we call mushrooms are, in technical language, macromycetes, sometimes translated into popular language as superior fungi, or, for those who balk at elevating one form of life over another, large or fleshy fungi.

There is no biological justification for distinguishing between macromycetes and mushrooms on grounds of edibility. Mycologists refer to "poisonous mushrooms" or "edible mushrooms," but as a rule they prefer to avoid ambiguity by not using the word *edible* at all. This uninviting word is perhaps largely responsible for the fact that the English are slow to eat mushrooms. Until the 15th century the only mushroom they had for this food was *stropharia*, which was not a particularly appetizing description. The word *mushroom* was introduced from the French *champignon*, which took the curse off it.

How many mushrooms are good eat? If we believe the "Grete Herbell," published in 1526, none. Her authorities are less severe. I suspect too much tolerance on the part of a mycologist who says three-quarters of all mushrooms are edible since he also

estimates that 25 per cent may upset you. It is obvious that he rates as edible all mushrooms which will not actually make you sick. Of course edible does not mean palatable.

There are a great many mushrooms which you can chew, swallow, and eventually digest with no evil effects, but whose taste is so unpleasant or so utterly absent that no one in his right mind would want to do so.

Closer to reality is the estimate that there are more than 2,000 species which can be eaten with more or less pleasure, of which perhaps 100 are real treats.

In France about 80 species are called edible, which in this case does mean palatable, but only about 20 are found on the market. There are perhaps 50 in the United States which might be eaten.

The same expert who states so generously that three-quarters of all mushrooms are edible is of the opinion that only 1 to 2 per cent are really choice—which is the same percentage he puts down as deadly.

In France, a certain Dr. Ramin tested 1,877 mushrooms and found only four which, in the language of the "Grete Herbell," were "deedly." He should have added at least two more, but perhaps the missing members do not grow in France. He listed 32 others as "poisonous," mean-

ing that they could make you ill, but wouldn't kill you.

The temperate zones are most propitious to mushrooms, harboring a considerable majority of the several thousand varieties which have been described. They can grow at high altitudes; there are about 2,000 specifically Alpine mushrooms. By far the greatest number of mushrooms push up from the ground during summer or autumn, but there are a number of spring varieties and even some winter ones.

In Asia and Africa, everybody eats mushrooms; in Britain and the United States almost nobody does unless they are amateur mushroom hunters operating for their own pleasure. Restaurants and markets offer a single mushroom, the diffidently flavored agaric, and only then after what little taste it started with has been cultivated out of it.

Europe is divided. Until recently mushroom eating was confined to two hands of territory. In the north, from the Slavic realms through Lithuania, and on the other side of the Baltic eastward to Scandinavia, especially Finland. In the south, beginning in Spanish Catalonia through France's Provence plus Italy.

Balsac in at least three of his novels refers with an almost audible smacking of the lips to *croûte aux champignons*, which could be mushrooms cooked in pastry but in this case probably meant a large mushroom cap upturned on a square of toast and filled to the brim with small butter.

Balsac's mushrooms were not the richly flavored ones of Langue-d'oc, but *champignons de Paris*, alias *champignons de couche*, the same pale agarics eaten by Anglo-Saxons. It was, after all, in the north that France began to cultivate mushrooms in the time of Louis XIV, so agarics were what they chose. When mushrooms became fashionable at his court, the English, out of snobbery, one suspects, began to eat agarics too, and seem to have passed their habit on to us.

For appreciation of the mushroom in English literature we turn to that herald of good cheer Charles Dickens, who in "The Pickwick Papers" had Jingle exclaim (with his mouth full, judging by his truncated syntax): "Not presume to dictate, but broiled fowl and mushrooms—capital thing!"

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Many See W. German Slowdown

PARIS, Oct. 26 (AP-DJ).—Reactions from business and banking circles are feeding a growing concern that economic growth in West Germany this year will be only 3 per cent in real terms and that the rate next year will be only 2.5 per cent, despite the government's stimulus program.

Japanese Industrial Output Drops 0.1 Per Cent in Month

TOKYO, Oct. 26 (AP-DJ).—Industrial activity in Japan continued to be sluggish in September, with the index of manufacturing activity dropping 0.1 per cent from August and only 0.3 per cent from the previous month.

This is even less optimistic than the 3-per-cent 1978 growth projected in Monday's joint report by Germany's five major economic institutes.

The government, which has set an informal goal of 4.5-per-cent growth for next year, responded that it is too early to make any certain predictions and noted that the economic institutes have often been wrong in their projections. In fact, the institutes at this time last year predicted a 5.5-per-cent growth in the economy for 1977.

However, Helmut Geiger, president of the German Savings Bank Association, told a press conference today that from the present point of view the institute's projection seems about right. "Our growth seems likely to swing between 3 and 4 per cent in the near future," Mr. Geiger said.

A prognosis released this week by Westdeutsche Landesbank Girozentrale (WestLB) also sees real growth next year in the 3 to 4-per-cent range, depending on the strength of export demand.

Foreign demand, in fact, is seen as the chief variable for German growth next year, but most of the reports are skeptical about the chance of any pickup because of economic sluggishness among Germany's main trading partners.

The reports also agree that consumer purchases will increase in the last quarter of this year, but will return to previous levels at the beginning of next year despite the estimated 11 billion marks in personal tax cuts in Bonn's stimulus program.

The reports further agree that increased state spending foreseen in the Bonn program will provide some growth impulse but not enough to overcome industry's continued reluctance to invest.

"The central problem isn't a weak business cycle," WestLB says in its report, "but a growth weakness." The bank report says the main cause of this weak growth is that "the companies see the risk of new investments as greater than in the past, while the profitability and yield expectations are lower."

Mr. Geiger, of the Savings Bank Association, told journalists that the government's stimulus measures are a step in the right direction but do not get at the underlying causes for slow growth. He said more help in fiscal policy for industry's profit margins would be the key to bolstering growth.

All the reports released this week call attention to the important role of wage settlements. The WestLB report said that average wage increases of 3 per cent effectively cannot be blamed for the full measure of the economic slowdown this year, but the wage boosts certainly did nothing to overcome pressure on profits from lagging foreign demand.

The WestLB prognosis is based on effective wage increases, averaging 6 per cent in 1978. But this more moderate settlement will not set off a new wave of capital spending, WestLB adds, because "the investors first need the assurance that the 1977 wage talks were an accident that won't be repeated."

At that, the WestLB estimate of the rate of increase in capital spending next year is 5 per cent, against 3 per cent this year. The business research group Institut der Deutschen Wirtschaft sees at best a 2-per-cent real gain in investment spending.

The WestLB report also notes that the dollar has dropped a half-percentage point to 2.2635 marks, while slipping to 4.8487 French francs from 4.8510.

After hitting a 45-year low yesterday, the Canadian dollar recovered to 0.8991 U.S. dollar from 0.8968. Sterling was little changed at 1.7765.

Gold encountered some profit-taking. After rising to another high since August, 1976, at the morning's peak of \$193.85 an ounce, the price fell back at the afternoon trading to \$192.90, or nearly the same level as yesterday afternoon.

Counting In-Kind Payments

America's Poor Fall to 6.4 Million

NEW YORK, Oct. 26 (AP-DJ).—During the 1960s, the government tells us, the United States made admirable progress toward eliminating poverty. In 1969 the "poor" made up 12.4 per cent of the population; by 1969 the percentage had shrunk to 12.1 per cent.

But then stagnation set in. By 1975 the poor percentage had edged back up to 12.3 per cent. It is easy to see this as a result of two recessions, rampant inflation and the generally unsatisfactory performance of the economy. Easy, but wrong.

The procedures for deciding who is poor and who is not inevitably involve some subjective judgments. But government analysts conscientiously try to determine a household's needs for housing, food and medical care and put a price on the package.

This year, for instance, the government concluded that it would cost an urban family of four \$5,850 to buy the minimum package. Problems arise, however, when the government computes the portion of the population that fails to reach the poverty figure. On problem stems from the fact that the government disregards in-kind transfer payments: Rent supplements, food stamps, Medicaid and the rest.

Morton Pagnin, professor of economics and urban studies at Portland State University, has produced a study in which he argues that the nation should at least radically alter the way that it looks at present poverty.

There are, he concedes, some subjective costs involved in receiving a significant part of your livelihood in in-kind payments. Free medical care in some cases may be desirable but not really essential—if the recipient were given the dollars instead of the care, he might not be entirely foolish if he spent them in some other way.

There are also benefits. In-kind payments are free of inflation risk. Food stamp allotments are revised regularly to keep up with food prices, for instance. Public housing tenants do not have to worry about rising property taxes and fuel costs. Prof. Pagnin figures it is fair to take a market-value approach to in-kind benefits.

Taking that approach and applying it to the available data, he discovers that progress against poverty has continued unabated. The stagnation that seemed to set in at the end of the 1960s completely disappears.

The numbers of the legally poor by 1975 had declined to 3 per cent of the population, instead of the 12.3-per-cent figure obtained by considering only cash income. Put another way, 6.4 million Americans failed to attain the poverty standard, not the 25.9-million figure that has been published.

Such a change in the poverty picture reflects in part the explosive growth of the in-kind programs. The value of payments under those programs, in terms of 1974 dollars, has grown from slightly less than \$1 billion in 1969 to nearly \$13 billion in 1975. Much of this growth came in the late 1960s and early 1970s, when the progress against poverty was supposedly stagnating.

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Burns Rebuts Criticism From White House

(Continued from Page 1)

Mr. Burns attributed the "lack of confidence in profit opportunities" by businessmen and investors as a key source for their reluctance to invest.

He said reported profits nowdays contain "inflationary thrust" and result in overpayment of taxes on the inflated corporate profits.

"Once account is taken of the distortions wrought by inflation—and when an offsetting adjustment is also made to allow for the changes over time in Treasury depreciation rules—we find that the level of corporate profits was overstated in 1976 by about \$30 billion and that this resulted in an overpayment of some \$10 billion to \$12 billion in income taxes," he said.

"Anyone who wonders why capital spending has been so halting or why stock prices have behaved so poorly for so long would be well advised to study this record of what American business has been earning," he said.

"The stock market by and large has not been behaving capriciously. Instead it has been telegraphing us a message of fundamental importance," Mr. Burns stated.

Indicator in Belgium Falls for Fifth Month

BRUSSELS, Oct. 26 (Reuters).—The Belgian National Bank's composite indicator fell for the fifth consecutive month in September to 76.99 and showed a drop of 3.8 per cent on August, the bank reported today.

The indicator (base is average 1958-1972) was 14.7 per cent below its level in September last year. It averages replies by businessmen to the central bank's monthly questionnaire on their situation and prospects and is regarded as one of the best pointers for future trends in the Belgian economy.

British Oil Output Rises to a Record

LONDON, Oct. 26 (AP-DJ).—Average daily crude oil production from the British sector of the North Sea during September rose to a high of 859,072 barrels up from 821,569 barrels in August and above the previous peak of 838,417 barrels in May, the Department of Energy said today.

Production for September totaled 2,437,336 tons of crude, up from 2,394,855 tons in August. Total output for the first nine months of 1977 was 27,123,373 tons, the department said.

Dow Index Gains 12 In N.Y. Buying Surge

NEW YORK, Oct. 26 (AP-DJ).—The stock market, after withstanding some midsession selling pressures today, rebounded sharply over a broad front in heavy trading.

Analysts attributed the buying surge mostly to technical bargain hunting after recent downturns and another successful test of the Dow Jones industrial average psychologically important 80-point level.

One encouraging factor, they said, was a smaller-than-expected rise in the Federal Reserve Board's discount rate, viewed by some analysts as an indication that short-term interest rates have peaked.

The Dow Jones industrial average jumped 12.04 points to 813.54, overcoming a midsession loss of 3 1/2 points. Some 1,000 issues showed gains while 445 were lower.

Volume totaled 3.86 million shares compared with 23.56 million yesterday.

The advance gained momentum after Federal Reserve chairman Arthur Burns called for "a bold tax policy" to encourage business investment and stimulate economic growth.

But few analysts were ready to say that today's brisk advance marked the end of the bear market. They said the market continues to suffer from concern over a continuing corporate profit, uncertainty about the outcome of

President Carter's energy program and his forthcoming tax proposals.

Another negative weighing on the market is the huge deficit the United States has been building in its trade with other nations, they said. This has brought down the dollar's value in foreign exchange markets.

The rally was spearheaded by the big computer makers which benefited from bullish comments on the industry by analysts quoted in a published report.

Prices were higher on the American Stock Exchange in active trading. The Amex index rose 0.76 to 12.16.

Direct Investment In U.S. Gained By 9.1% in 1976

WASHINGTON, Oct. 25 (AP-DJ).—Foreign direct investment in the United States rose 9.1 per cent to \$30.18 billion in 1976, the Commerce Department said today.

The direct investment position is the net book value of foreign parent company equity in and outstanding loans to U.S. affiliates.

The 9.1-per-cent increase compares with a 10-per-cent increase in 1975 and a 23.3-per-cent increase in 1974.

The Commerce Department said the \$2.5-billion rise in 1976 in the foreign direct investment position consisted of net capital inflows of \$2.5 billion, reinvested earnings of \$1.6 billion and a \$1.2-billion negative adjustment because of a reduction in value of a large petroleum investment.

The petroleum investment was reclassified as owned by the United States. Previously it had been attributed to British ownership.

Gulf & Western Outlook

NEW YORK, Oct. 26 (AP-DJ).—Gulf & Western Industries Inc. has forecast that earnings in the first quarter of 1978 will fall short of last year's record \$4 million and are expected to be in the area of \$3.5 million.

Dollar at Low Against Yen

LONDON, Oct. 26 (AP-DJ).—The dollar eased slightly against the Japanese yen today while dropping to another record low against the yen.

Dealers said trading conditions were calm ahead of tomorrow's announcement of U.S. trade figures for September. Neither the increase in the U.S. discount rate by a quarter-point to 6 per cent (which is still below market rates) nor an easing of short-term Eurodollar interest rates seemed to have much impact, traders said.

The dollar fell to 251.67 yen in European trading, down from 252.56 yen yesterday and below the previous record low for Europe of 251.92 on Monday.

After bobbing up and down against the Swiss franc for most of the day, the U.S. currency finally settled at 2.2675 francs, only slightly below yesterday's late level of 2.2675.

However, the dollar dropped a half-percentage to 2.2635 marks, while slipping to 4.8487 French francs from 4.8510.

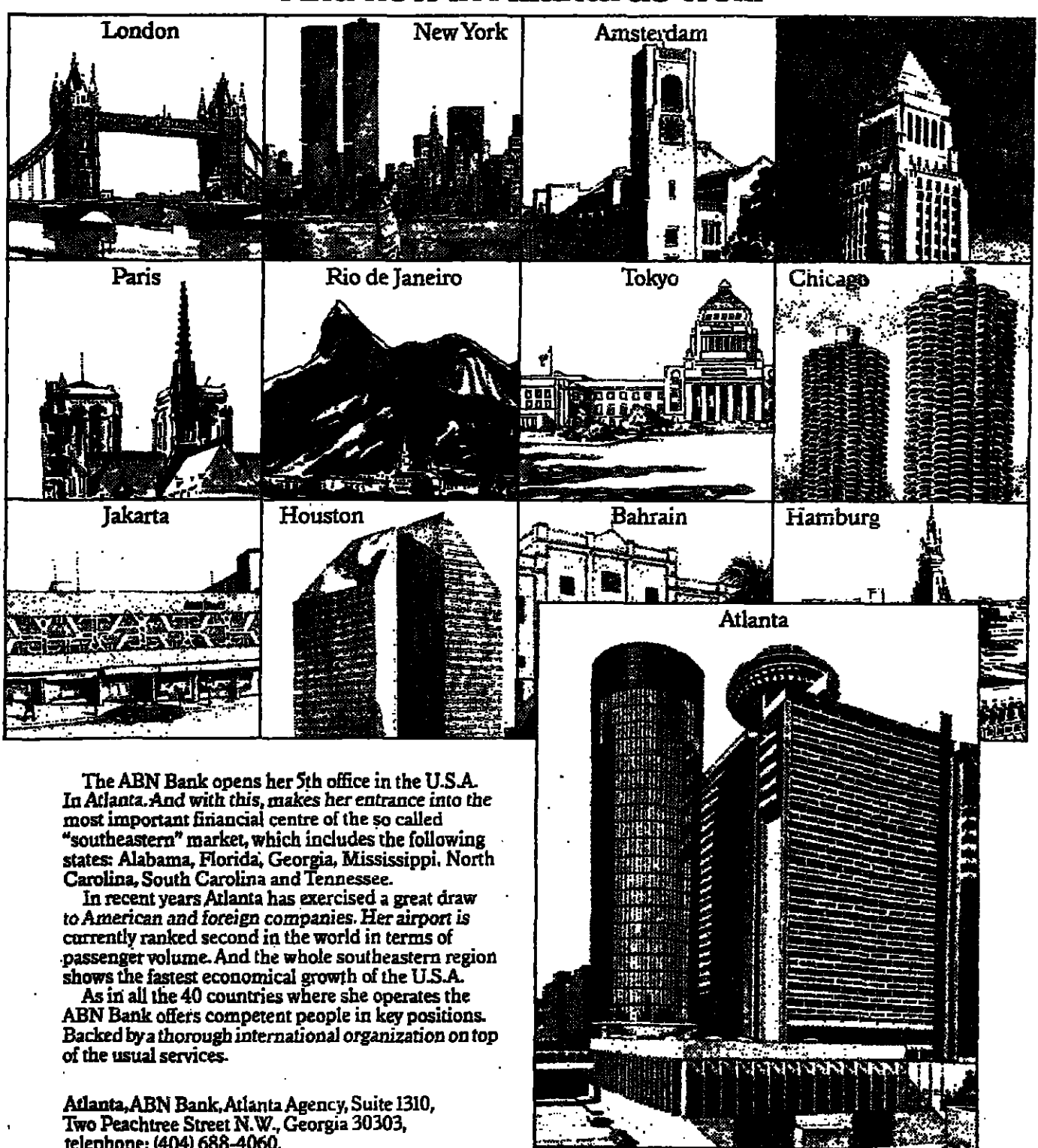
After hitting a 45-year low yesterday, the Canadian dollar recovered to 0.8991 U.S. dollar from 0.8968. Sterling was little changed at 1.7765.

Gold encountered some profit-taking. After rising to another high since August, 1976, at the morning's peak of \$193.85 an ounce, the price fell back at the afternoon trading to \$192.90, or nearly the same level as yesterday afternoon.

Earnings Reports by U.S. Companies

Revenue, Profits in Millions of Dollars			
Company	1977	1976	1975
Bethlehem Steel			
Third Quarter	1,200.0	1,310.0	1,200.0
Revenue	477.0	48.5	48.5
Profits	10.9	1.04	1.04
Per Share	4.080.0	4.080.0	4.080.0
Revenue	487.4	128.3	128.3
Profits	10.7	2.94	2.94
Per Share	10.7	2.94	2.94
Continental Oil			
Third Quarter	2,200.0	1,970.0	1,970.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
General Foods			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	28.4	47.4	47.4
Profits	0.57	0.90	0.90
Per Share	2,450.0	2,280.0	2,280.0
Revenue	79.3	97.7	97.7
Profits	1.59	1.86	1.86
Per Share	1.59	1.86	1.86
Gulfs Oil			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Gulf & Western			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Johnson & Johnson			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Marathon Oil			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Murphy Oil			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Nabisco			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Northwest Airlines			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Norton Simon			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Revere			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Southern Railway			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Union Pacific			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
Revenue	300.9	363.1	363.1
Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48
Walker Kidde			
Third Quarter	1,190.0	1,100.0	1,100.0
Revenue	81.7	107.2	107.2
Profits	0.76	1.00	1.00
Per Share	6.800.0	6.100.0	6.100.0
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Profits	2.80	3.48	3.48
Per Share	2.80	3.48	3.48

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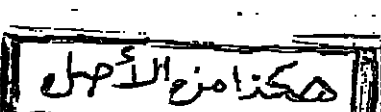
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(Continued on next page)



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- 1977 -					- 1977 -					- 1977 -					- 1977 -				
High Low					High Low					High Low					High Low				
Stocks and Div in \$					Stocks and Div in \$					Stocks and Div in \$					Stocks and Div in \$				
P/E	Ratio	High	Low	Close	P/E	Ratio	High	Low	Close	P/E	Ratio	High	Low	Close	P/E	Ratio	High	Low	Close
(Continued from preceding page.)																			
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90
93 1/2	85 1/2	OPW	1.00	90	90	90	90	90	90	93 1/2	85 1/2	OPW	1.00	90	90				



First AL Reliever

Cy Young Award to Lyle

By Murray Chass

NEW YORK, Oct. 26 (NYT).—Lyle, the Yankees' reliever who handles his job as hard and as cold as a hired killer, won the Cy Young Award yesterday as the best pitcher in the American League and instantly moved to stardom.

"I'm a screaming maniac right now," Lyle said minutes after winning the award. "I was nervous when I found out I didn't talk. I can't remember when I was like that."

In becoming the first reliever to win the award in the American League, Lyle beat out Nolan Ryan of the Texas Rangers, who won the award in 1974, and Tom Seaver of the New York Mets, who won it in 1975.

The 33-year-old left-hander, who has won 19 games and 10 saves, received nine of 28 first-place votes and a total of 56 1/2 votes in the balloting by a Baseball Writers' Association of America panel of 12 writers from each league city.

Palmer, who had won three of the previous four Cy Young awards, received six first-place votes and 48 points; Ryan 6 and 16 points and Leonard 5 and 46 points. Bill Campbell, Boston's ace relief pitcher, finished fifth with 26 points and was followed by Dave Goltz of Minnesota, 19; Ben Gundy of the Yankees, 15; Dave Romano of Detroit, 4; and Frank Tanana of California, 3.

Palmer, Leonard and Goltz were the only three pitchers to have won the award more than once. Palmer won it in 1975 and 1976.

Weaver received 248 votes in a nationwide poll of writers and broadcasters conducted by the Associated Press. Whitey Herzog

were the only 20-game winners in the league, but none was overwhelming and that opened up an opportunity for a reliever to win the award. Mike Marshall won the National League award in 1974 when he pitched for Los Angeles, the only other reliever to win it.

"I finally was in the right place at the right time," Lyle said. "I thank all the starters."

Lyle won 13 games, lost 5 and saved 10 others during the regular season. He was the winning pitcher in the last two games of the playoffs and the first game of the World Series.

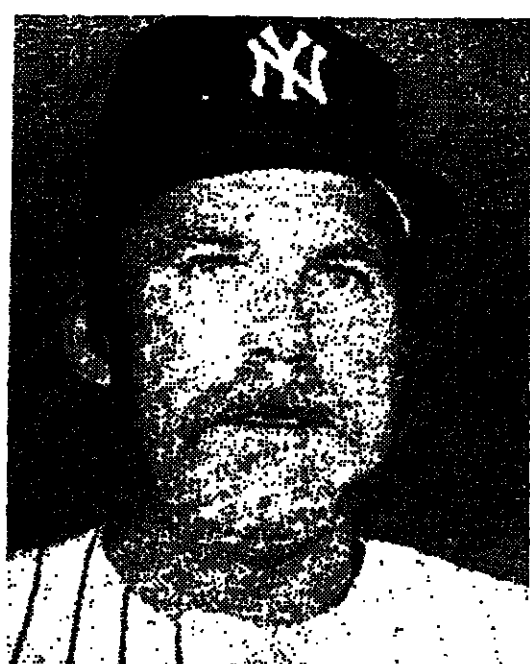
Nevertheless, the voting, which was concluded before postseason play, indicated that all the voters weren't ready to accept relievers as legitimate contenders for the award. Of the 28 writers who participated, 13 left Lyle off their three-place ballots. No one had ever won the award after having been ignored by nearly 60 per cent of the voters.

Of those who named Lyle, nine put him first, three placed him second, two named him third and one put him in a third-place tie with Campbell.

Lyle's 201 career saves are the most in league history. He was No. 1 on the league's pitching list this season, compiling a 2.17 earned-run average. If his one uncharacteristic performance were removed from his record—the six runs he allowed in the 10th inning of Sept. 15—his ERA would be 1.79.

He relieved in 72 games during the regular season and was charged with allowing earned runs in only 19 of those games. As an example of his excellent control, he walked batters in only 24 games.

Sparky Lyle with tobacco chaw in cheek.



charged with allowing earned runs in only 19 of those games. As an example of his excellent control, he walked batters in only 24 games.

Lyle's contribution to the Yankees' championship season was ironic in that he came close to being traded last spring. He allegedly was growing old, but he didn't show his age during the season.

The kind of season he had, in fact, might prompt some players to demand contract renegotiation, but that isn't Lyle's style.

"I promised Bob Lemon I wouldn't do that," Lyle related, referring to the Chicago White Sox manager who served as Yankees pitching coach last season. "He told me, 'I don't want you to

be one of those jerks who has a good year and says I want the contract rewritten. I'd never do that anyway. I'm in it for my life. Three years is three years.'"

A Serious Side As fun-loving, free-spirited and prankish as Lyle is, there is a serious side to him, too. He displayed that when he talked about the greater significance of the award.

"Winning the award is the greatest thing that ever happened to me," he said, "but it means more than just winning the award. I want to give something back to baseball because it's given me so much, and this is going to help relief pitchers, who don't get recognition. That's one thing I'm really happy about."



Earl Weaver gets hug from stepdaughter Kim Hollenbeck.

Emile Bearzot, Former Pro Wing-Half
Coach Credited With Italian Soccer Renaissance

By Steve Kettle

TURIN, Oct. 21 (Reuters).—As a player, Emile Bearzot had a brief international soccer career representing Italy only once. But as the man in charge of the national team for the last two years he can claim to have brought Italian football into a new and potentially glorious era.

Now a craggy, heavy-smoking 50-year-old, Bearzot played as a wing-half for Torino and Inter Milan until he was 37.

Since his appointment as national trainer in 1975, he has taken Italy out of the doldrums caused by their defensive style of play.

After Italy played a friendly match in West Berlin recently, veteran West German trainer Helmut Schoen said: "The Italian game is no longer as it was. You can see the mentality has changed."

Read to World Cup The 6-1 victory over Finland here on Oct. 15, which set Italy firmly on the road to the World Cup finals in Argentina next year, was the team's 12th victory in 14 matches under Bearzot's guidance.

"However, we still a long way to go," he said. "We're on the right lines but there are still improvements to be made and taboos to be broken."

Apart from six months with a semi-professional side, Bearzot has avoided the rat-race of club management.

He took charge of Italy's under-23 team and a year after the Italians returned home as runners-up in the last World Cup finals he was asked to help manager Fulvio Bernardini rebuild the senior side.

For almost two years, Bearzot worked in partnership with Bernardini until, three months ago, he was put in sole charge of the team with the job of guiding Italy through the World Cup finals.

Bicentennial Play Bearzot took the upturn in Italy's fortunes—and a simultaneous decline in England's—from England's 3-2 victory over his team during the U.S. Bicentennial tournament last year.

"It pleased me less beating England in Rome (in a crucial World Cup qualifier five months later) than losing in New York, where we played a great first half and then lost to three goals in five minutes," Bearzot said.

The match was the signal for Italy to rebuild its squad, instilling a sense of teamwork based on the English model. Bearzot attacked the task with typical shrewdness.

"The Ladies have certain characteristics that have to be taken into account," he said. "Northern Europeans think in terms of the collective. Here in Italy every thing revolves around the individual."

"If you tell someone he has made a mistake, he's likely to reply that all the rest of the team is in error, not him. From this principle our team must be motivated by developing individual talents and building the collective that way."

Open, Attractive Soccer Bearzot's main achievement so far is in nurturing players—like midfielder Giancarlo Antognoni and striker Roberto Bettengo—who have enabled Italy to play open, attractive soccer.

He insists on the importance of giving the fans value for money and he likens his approach to the game to that of England's manager, Ron Greenwood.

"We're long-standing friends," Bearzot said. "Greenwood is a philosopher, a teacher who likes the team game but also expects his men to think, not just run."

"World soccer has improved greatly in the past few years. There is not the goal fest there used to be between teams—everybody is hard to beat now."

"So every team needs two or three stars. The sad thing about England is that they have good players, but not great ones like Bobby Charlton anymore."

(Italy is level on points with England at the top of World Cup Group 2. The teams meet at Wembley next month but Italy has a four-goal advantage on goal difference and a home match with Luxembourg in hand.)

Bearzot has been almost a stranger at his home in Milan over the last year, traveling throughout Europe and South America to assess present World Cup opponents and the teams Italy could face in Argentina.

"It will be very hard for the European teams there, playing in front of spectators who do not understand their style," he said. "The West Germans, Dutch and maybe the Scots could do well, but we will not be one of the favorites."

"Enough Substitutes" "The squad I have at present should suffice if we go to Argentina. We have two experienced players—defenders Francesco Rocca and Mauro Bellugi—who

should come back after long injuries, and two or three youngsters could be brought in. And we've enough substitutes if old age or bad form creeps up on anyone."

"The Italian team needs more experience and confidence. I hope we've managed to put new mentality into the players, but there are still aspects to be worked at."

Bearzot has seven months to get things right. But he added: "You can go on trying to perfect your team until you die."

Cup opponents and the teams Italy could face in Argentina.

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28 Points, 8 Rebounds

Knicks Win as Frazier Returns to N.Y.

NEW YORK, Oct. 26 (UPI).—For Walt Frazier, everything about last night was a reminder of the glorious past.

In his first return to Madison Square Garden since being traded to Cleveland, Frazier contributed 28 points, eight rebounds, four assists and five steals in the Cavaliers' 117-112 overtime victory over the Knicks.

The crowd cheered Frazier and he was magnificent in leading his team to victory. In that way, it was just like old times for the man who played 10 years in New York.

"This team is really like the old Knicks," Frazier said. "Bingo Smith is like Ozzie Smith. He's a streak shooter and gives you a big lift when he gets hot."

(Jim) Brewer is like (Dave) DeBussche. He cleans up all the garbage. (Jim) Chones and (Elmore) Smith aren't exactly Willis Reed, but together they get the job done."

And Frazier, the inference being, is still Frazier, at least on special occasions.

"Once in a while" I used to be, Frazier said. "I know that. But I can do it once in a while. There are spots when I can play like I did tonight."

With Frazier getting 19 of his points in the second half and Rondo Smith scoring 22 of Cleveland's 12 points in overtime, the Cavs handed the Knicks their first loss in three games. Cleveland is 2-2.

After playing with the Knicks for 10 years, leading them to their only two NBA championships and becoming their all-time leading scorer, Frazier was traded to Cleveland Oct. 8 as compensation for the signing of free agent guard Jim Cleamons.

NBA Standings EASTERN CONFERENCE Atlantic Division

	W	L	Pct	GB
Buffalo	1	1	.500	—
Philadelphia	1	1	.500	—
Washington	1	1	.500	—
Cleveland	1	1	.500	—
Boston	1	1	.500	—
New York	0	2	.000	1 1/2

	W	L	Pct	GB
New Orleans	1	1	.500	—
Atlanta	1	1	.500	—
Washington	1	1	.500	—
Cleveland	1	1	.500	—
San Antonio	1	1	.500	—
Houston	1	1	.500	—

	W	L	Pct	GB
Portland	2	0	1.000	—
Phoenix	2	0	1.000	—
Golden State	2	0	1.000	—
Los Angeles	2	0	1.000	—
Seattle	2	0	1.000	—

	W	L	Pct	GB
Los Angeles	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
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Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
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San Antonio	1	0	1.000	—
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San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

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Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
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Golden State	1	0	1.000	—
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Houston	1	0	1.000	—

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Houston	1	0	1.000	—

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San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

	W	L	Pct	GB
Portland	1	0	1.000	—
Phoenix	1	0	1.000	—
Golden State	1	0	1.000	—
San Antonio	1	0	1.000	—
Houston	1	0	1.000	—

NHL, East Europeans in Talks

NEW YORK, Oct. 26 (NYT).—Not to be outdone by the World Hockey Association's foreign involvement, the National Hockey League announced it was near final agreement with the Soviet Union and Czechoslovakia on a new season with each of its 18 league teams.

The exhibitions, which would involve supplemented club teams from the two European hockey powers, are to be scheduled at all NHL home rinks between Dec. 26 and Jan. 12, according to John Ziegler, the NHL president, and Alan Eagleson, the executive director of the NHL Players Association.

The NHL executives also reported that a regular annual competition between the Russians and the Czechoslovaks and the

NHL had been proposed, as well as a tournament in North America similar to the Canada Cup every three or four years.

"I am convinced that we can expect the full support of the International Ice Hockey Federation," NHL President Ziegler said. "We now up to the National Hockey League to go to work to develop a realistic program for the next five years or more so as to be able to utilize the very favorable atmosphere that now exists for such a program."

The WHA recently announced a 36-game schedule with national and all-star squads from the Soviet Union, Czechoslovakia, Sweden and Finland, with 16 games to be counted in the WHA standings. These will begin Dec. 11, with the last contest set for March 30.

2 Suspended in Racing Probe From Wire Dispatches NEW YORK, Oct. 26.—Owner-trainer Jack Morgan and veterinarian Mark Gerard were suspended by the New York Racing Association yesterday for their possible roles in a race won by a 57-1 shot "phantom horse" at Belmont Park.

The race took place on Sept. 23 and supposedly was won by Lebon, a Uruguayan horse, at 7-1 odds. A photo of the winner was published in a Uruguayan newspaper, and the horse was identified by Uruguayan horsemen as Cinzano, a stakes winner in that country that would have gone off at much smaller odds.

Cinzano earlier was reported to have suffered a head injury and to have been destroyed.

"Photographs received this afternoon from Uruguay confirmed that Lebon was not the correct horse," Ogden Phipps, chairman of the board of the Racing Association, said. "We're not saying at this time that Cinzano was the horse. The only thing we're certain of is that the winner was not Lebon."

A blood test will indicate whether Cinzano was, indeed, substituted.

If so, the General Adjustment Bureau of Jericho, N.Y., will have paid \$150,000 in insurance benefits for a horse that was not destroyed.

And what of the lucky bettor who collected the \$77,000 by betting \$1,500 on the 57-1 shot?

"We have a good idea who it was," Phipps said.

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